

INTERNATIONAL PRESS REVIEW

Round in circles in 'Topsy-turvydom'

INDIA By Mark Nicholson

Covering India's eleventh election has proved particularly arduous and baffling for the country's political scribes. There have been no big national issues to mull, no waves of support to surf, no titanic leader in the Gandhi mould to follow and, to cap it all, none of the usual carnival campaigning, thanks to Mr TN Seshan, the fierce election commissioner, whose strictures put paid to hullabaloo.

what one needs is brains not genitals. Otherwise, India's English press has resorted to covering swathes of election pages with diligent but repetitious reports from hundreds of constituencies. This has provided the professional pundits in Delhi with less a "big picture" than a puzzling and shifting political kaleidoscope. Opinion polls have not helped - they all suggest the three main political groups, Congress, the Bharatiya Janata party and the Left Front-National Front alliance, might fare relatively evenly and that a coalition government will result.



Musical chairs, as seen by The Hindu: Indian politicians pace around the prime minister's 'throne'

In yesterday's papers the task began in earnest. While the front pages all focused on apparently growing moves within the Congress party to unseat Mr PV Narasimha Rao, the prime minister, should the party perform as poorly as some opinion polls suggest, the editorial pages bristled with speculation as to who might succeed him as India's next premier. However, in what Mr VN Narayan calls in the Hindustan Times India's new 'Topsy-turvydom', even this topic has the pundits running in circles. The names of no fewer than 18 politicians were advanced in yesterday's press as potential candidates. "It's literally anyone's game," said the Times of India, which profiled 14 contenders.

Singh, finance minister, and more. And, mindful of the fact that Mr Rao himself emerged from nowhere to lead the Congress party after the 1991 elections, Mr M Akbar, editor of the Asian Age, warns wisely to "keep a sharp eye concentrated on any dark horse". The air will soon be filled, continues Mr Akbar, with the noise of parties "hammering out" consensus behind one or other political leader. "The sound of that hammering will have an ominous resemblance to chaos," he says. "And if that fills you with dread, get yourself tougher nerves."

An opinion poll in yesterday's Times of India gave the Congress party and the Bharatiya Janata party 169 and 166 seats respectively, Ruter reports from New Delhi. With results due later this week in India's general election, the National Front-Left Front was forecast to win 145 seats and others 58. However, a poll of polls in the Pioneer gave Congress 31.4 per cent of the vote, the BJP 23.9 per cent and the NF-LF 22 per cent. In India's first-past-the-post system, the percentage share of the vote does not necessarily translate into the number of seats won.

stable governments over the past 40 years have brought no benefits for the peasantry, it is high time to have some instability, so that villages could prosper". The notion that instability might throw up some political benefits for India's poor has also been aired by Mr VP Singh. It might not look so good to foreign investors, though, nor for that matter to Delhi's political establishment. The new "rustics", like Mr Yadav, seem determined to offer Delhi a political jolt.

Bhutto accuses India of staging bomb blasts

By Farhan Bokhari in Islamabad

Pakistan at the weekend accused India of organising recent bomb blasts in Punjab to divert attention from what Islamabad called "sham elections" in the disputed Himalayan state of Kashmir. The allegations raised fresh concern that tension might rise between predominantly Islamic Pakistan and a new government in Delhi after India's elections.

Pakistan's comments referred to a recent bomb blast in a bus outside Lahore, capital of the Punjab, where 37 people were killed and more than 30 injured. A further six people were killed and more than 30 injured when a bomb, hidden in an air-conditioning duct, hit the Shaukat Khanum memorial hospital in Lahore, built by Mr Imran Khan, Pakistan's former cricket captain. Ms Bhutto's remarks came amid concern in Pakistani circles over the possibility of an election victory by the Hindu nationalist Bharatiya Janata party, which is considered hostile to Pakistan. Pakistan and India have fought three wars over the division of Kashmir. Pakistan has demanded that the people of the state be given the right of self-determination to choose whether to remain within India or join Pakistan. New Delhi has rejected the demand on the grounds that Kashmir's future is an internal matter. Both sides maintain thousands of troops along their Himalayan border.

Robust growth predicted for Asian nations

By John Riddling in Hong Kong

Growth prospects in the Asia-Pacific region remain robust, but rising current account deficits in some economies require careful management and will put upward pressure on international interest rates, according to an annual study by the Asia Pacific Economics Group. The study has predicted a fall in the total east Asian current account surplus this year to \$73.2bn, compared with \$106.6bn in 1995. It forecast increased deficits in Indonesia and Malaysia, while Japan's surplus was projected to fall from \$116.4bn to \$101.4bn.

risks could be increased if the US decided against the renewal of China's Most Favoured Nation trading status. He said this would probably trigger counter measures and further retaliatory action which would undermine economic confidence. Apart from such risks, the annual study gave an upbeat assessment of moves to liberalise trade and investment in the region. It noted a steady rise in intra-regional trade and the increased share of US exports going to east Asia. "This emphasises that withdrawal to fortress North America is not an option," said Mr Garnaut. The increase in intra-regional trade and investment flows, which includes a rapid rise in investment in southeast Asia by the newly industrialising economies of Taiwan, South Korea, Hong Kong and Singapore, is seen as one of the driving forces in continued growth in the region. "Southeast Asia will have another strong year, similar in aggregate to 1995," said the study, referring to a predicted expansion in gross domestic product of 8.2 per cent. Driven by increased growth in Japan, which is expected to see GDP growth increase from 0.9 per cent to 2.5 per cent this year, northeast Asia is also set for stronger expansion. Some slowing, however, was predicted in newly industrialised economies. "The highest-income newly industrialised economies are slowing down now that they are at or near the world frontiers of productivity and incomes," the report said.

Table with 4 columns: Country, 1994 US\$bn, %GDP, 1995 US\$bn, %GDP. Rows include Japan, Korea, China, Hong Kong, Taiwan, Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam, and Total East Asia.

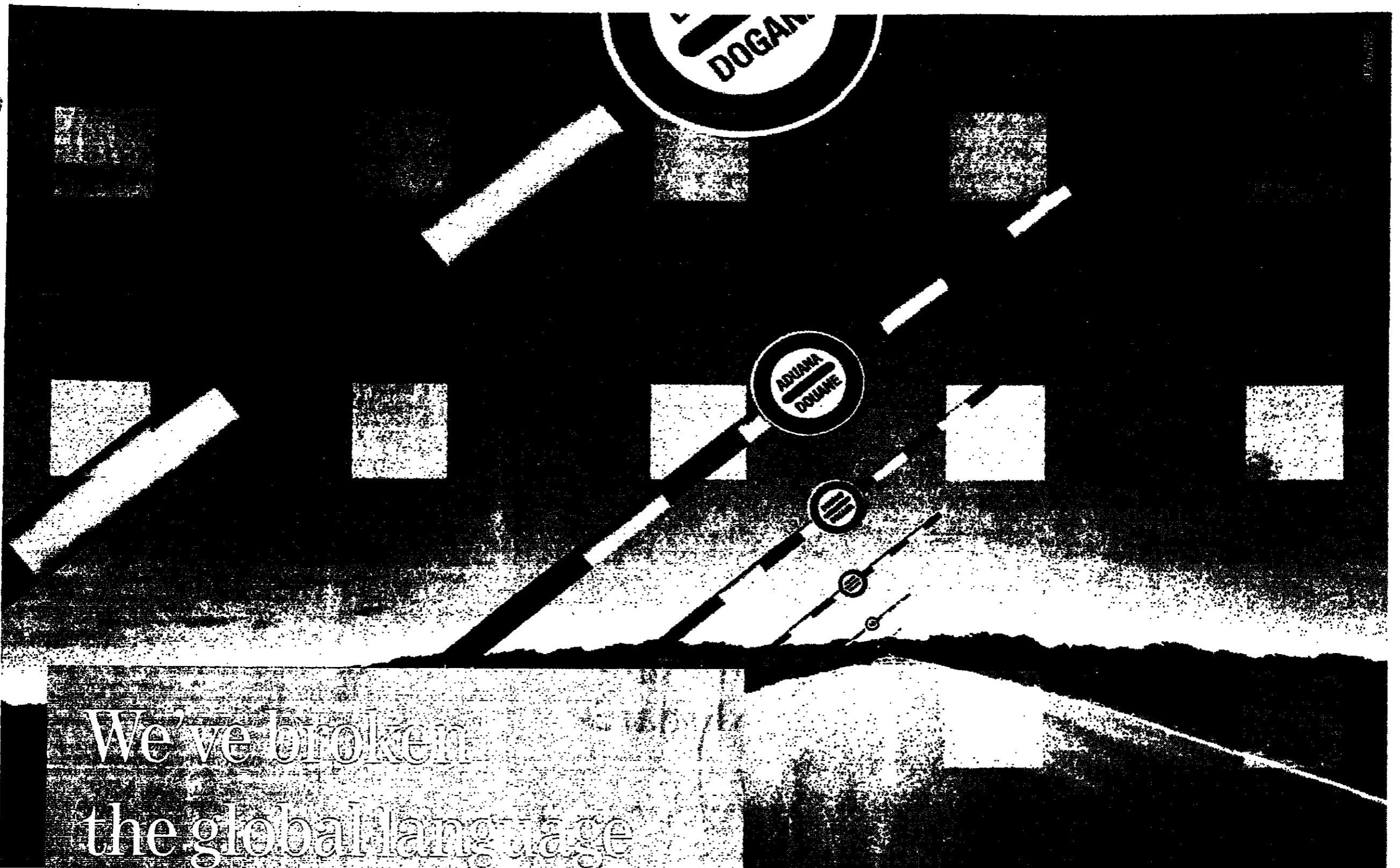
Seoul, Pyongyang link in TV set assembly

The imminent arrival in South Korea of the first batch of electronics goods assembled in North Korea is another example of expanding economic ties. Reuter reports from Seoul. LG International, a trading arm of South Korea's LG Group, said at the weekend that 250 50cm colour television sets would arrive at the South Korean port of Incheon from a factory near the North Korean capital of Pyongyang. It will be the first shipment of electronics products from the North. Some light industrial goods, such as clothing and bags, have been delivered in the past. "This is another step in a gradual move towards the expansion of economic ties," said an official from

South Korea's Unification Ministry. LG International said the televisions were produced using components from LG Electronics. "We plan to produce 20,000 colour TVs in North Korea this year and expand output to 40,000 units next year," it said. The shipment follows announcement of the first joint venture between companies in North and South Korea. Daewoo Corp, a trading arm of the Daewoo group, said last week it had established a \$10.5m joint venture with North Korea's Samchollil to make shirts, bags and jackets. The venture was one of 10 approved by the Unification Ministry.

Large advertisement for swissair featuring a background image of a Swissair aircraft and the text 'Best in Business.' and 'swissair - a refreshing airline.'

1991/11/15



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GSM is the world's first standard in digital mobile communications. It stands for Global System for Mobile Communications – and Deutsche Telekom played a big part in its development. Along with ISDN and Asynchronous Transfer Mode (ATM), it's just one of the foundation stones we are laying for the worldwide information infrastructure of the future.



Deutsche
Telekom

Internet provider to launch censorship

By James Mackintosh in London

Unipalm Pipex, the biggest provider of Internet access to British businesses, has acceded to government calls for voluntary censorship in a significant boost to ministerial attempts to restrict access to electronic pornography.

international computer network - accessible by staff. The decision is likely to have far-reaching implications for the Internet in Britain because Mr Peter Dawe, managing director of Pipex, is also political officer of the Internet Service Providers' Association, the body negotiating a voluntary code of conduct with the government.

devoted to pictures of young children. The software package will allow subscribers to block parts of the Internet considered unsuitable, making them accessible only with a password. As a result, parents will be able to control which parts of the Internet are available to children, and managers to ensure staff are not breaking the law. However, Mr Dawe emphasised the impossibility of completely blocking offensive parts of the Internet. Pipex - the UK arm of

UNNet of the US - does not expect a backlash from users over the censorship. Mr Dawe said he was sure Pipex's corporate users "would be horrified" at what is available on the Internet. He said that if pornographic pictures were found on office computers, companies could be open to prosecution.

Obscene Publications Squad confirmed that child pornography on the Internet had already become a serious problem. "The majority of the people we deal with have used news groups," he said. Child pornography had become available to people who a few years ago would not have known how to find it.

Rail investors are warned over cash dispute

By Charles Batchelor, Transport Correspondent

British Rail and Railtrack have disagreed over BR's demand for the repayment of £2m (£3.02m) earned from renting advertising sites on stations and railway embankments. BR is the remnant of the former state-owned national network and Railtrack is the infrastructure company extracted from BR which is due to be floated on the London stock market on May 20.

to tear up the agreement between the two companies over the sharing of advertising revenues. Ms Glenda Jackson, a Labour party transport spokeswoman, called for an investigation into BR's claim, contained in a leaked letter, that money was being withheld. Potential investors in Railtrack should be warned, she added.

belong to Railtrack. Ms Jackson said: "Withholding millions of pounds of taxpayers' money is serious enough. But, if it is proven, this has massive implications for the Railtrack flotation. Property income has always been central to the flotation price and potential investors must be made aware of this serious breakdown in relations between Railtrack and the BR Property Board."



Glenda Jackson, the OBE-winning actress turned Labour MP, warns that the row may affect flotation prices

Bank denies advising clients to avoid shares

By George Graham and Charles Batchelor

National Westminster Bank yesterday played down suggestions by the opposition Labour party that it was advising clients not to invest in the privatisation of Railtrack, the railway network operator.

regard for their particular needs and attitudes to risk. "Our general view of the Railtrack offer is that it is likely to be realistically priced and could go well," the bank said. "The dividends payable in the early years are attractive to investors, accepting there are political risks."

banking subsidiary. The government's flotation price value of Railtrack at between £1.75bn (£2.64bn) and £1.95bn. An analysis of the Railtrack privatisation by NatWest Markets last month picked out political risk as "the single most important element in the final valuation of the company at flotation... This is an industry which receives approaching £2bn of government subsidy per annum, unique in a privatised utility. Railtrack's profit and dividend streams are ultimately dependent on that subsidy, which is itself the subject of intense political debate, both as to size and method of delivery."

Soccer win will lift club's exports

By Simon Kuper in London

Manchester United clinched English soccer's Premier League title yesterday, raising the prospect of millions of pounds in extra income for the publicly quoted club.

Split over Europe 'must be buried'

By James Blitz at Westminster

Mr Michael Heseltine, the deputy prime minister, yesterday warned Conservative MPs to bury their divisions over Europe in the run-up to the next general election or hand control to the opposition Labour party.

Lawyers complain of bullying

High flying lawyers complain of intolerable stress and bullying at work in a survey published in The Lawyer magazine.

today. The survey of 700 solicitors shows that more than 80 per cent are looking around for new jobs. Nine out of 10 say they suffer from stress and nearly a third see themselves as highly stressed - with the vast majority saying their personal lives had been hit by work.

Employers say shortage of skills is holding them back

By Stefan Wagstyl, Lisa Wood and Peter Marsh

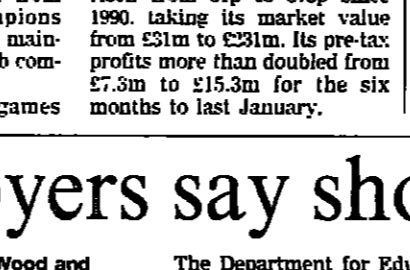
"I would take on five more skilled engineers tomorrow if they suddenly became available," said Mr Brian Francis, managing director of Albion Pressed Metal, a car components company owned by the German Thyssen Engineering group.

Very few people have the qualifications we need. So we are spending more and more on training

Mr Juergen Gehrels, chief executive of the UK operations of Siemens said: "Very few people have the qualifications we need. So we are spending more and more on training."

Extra voters join register

Local franchise



Kitagawa to spend \$6.8m on expansion

By Peter Marsh in London

Kitagawa, of Japan, one of the world's biggest makers of specialised handling systems for machine tools, is stepping up its UK manufacturing operations. The costs of the £1.5m (\$6.8m) expansion project are being contributed jointly by the Japanese company and its European partner, Mr Tertius Threipland, a UK machine tool expert.

Chinese equity listings sought

Executives from the London Stock Exchange and some of its biggest member companies are heading to Beijing this month in a bid to persuade Chinese companies to list their securities in London.

Bank governor wary over Emu

The debate on European monetary union will re-ignite this week with sceptical comments on the proposed single European currency by Mr Eddie George, governor of the Bank of England (the UK central bank). He is likely to re-affirm his extreme caution in evidence to the House of Commons Treasury committee on Wednesday.

Mr George is expected to say that Britain has a good chance of proceeding to a low-inflation economy with relatively stable interest rates even if it fails to join other countries in a single currency and a single European central bank around the end of this decade.

BSE may overshadow trade talks

European Union farm ministers gathered in Otranto, Italy, yesterday to discuss fears that new free trade pacts would ruin EU farmers, but their talks are likely to be overshadowed by the bovine spongiform encephalopathy crisis.

Lawyers complain of bullying

High flying lawyers complain of intolerable stress and bullying at work in a survey published in The Lawyer magazine.

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The UK has acquired more than 250,000 voters in the past year, thanks mainly to the new entitlement of European Union citizens to vote in local elections.

Employers say shortage of skills is holding them back

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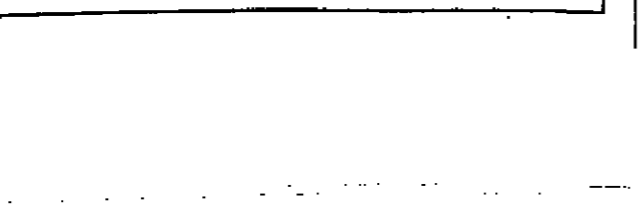
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Games nerds get hooked on reality

The games people play have started to take on a new and revealing significance in Japan. Wrongly held by many to be limited by a lack of imaginative creativity...

games magazine. "It is a question of taste and culture," he says. Hamamura should know. He is probably Japan's most expert games nerd since he plays around half of the 50 titles per month that come on to the market.

range of jobs from cabaret performer (low score) to queen. Saccharine and spice are programmed in in equal measure. Esuko Yamashita, a professor at Japan Women's University, finds Princess Maker 2 "discomfiting".

The real trial will come at the end of June, when Teo comes out on Microsoft's Windows 95 operating system. Japan has proved fertile ground for role-playing games, mainly because it has led the market in conventional computer games for many years, says Joe Osha, electronics analyst at Merrill Lynch in Tokyo.

Nearly two-thirds of Japanese homes own a dedicated games machine, according to a recent survey by Access Media International, and the top three makers of games machines sell as many in Japan as they do in the rest of the world.

Of course, the market may yet catch up. But in the end, the reasons may be cultural, says Fujitsu's Michael Beirne. His experiences of struggling to sell software made by ICL, Fujitsu's UK subsidiary, in Japan indicate that Japanese consumers prefer computers that are "intuitive, in the sense that they almost have a human interface", he says.

PhinPhin and friends seem to fit the bill nicely. If so, there is no telling where Japan's latest role-playing games may lead. One day, perhaps, the player or the computer may need to hit the Help button to find out who is which.

DATELINE

Tokyo: there is no telling where Japan's latest penchant for role-playing games will lead or whether they will catch on elsewhere, writes Will Dawkins

game, titled Princess Maker 2, the player assumes the role of father of a pretty 10-year-old girl. It takes more than five hours of play - this time on a personal computer - to bring up the girl, a wide-eyed Barbie type, to the point at which she assumes a job and goes on to get married. According to points won by her cyberparent, she can take a

PEOPLE

Nothing noddly about Nigel Wray

The British entrepreneur has an uncanny record for finding ventures with potential, says Simon London

Not everything touched by British businessman Nigel Wray immediately turns to gold. Saracens, the north London rugby union club in which the millionaire entrepreneur recently invested £2m, looks likely to be relegated from the first division of the Courage League.

It is difficult to imagine any other property investor starting with a fairly conventional asset like the Trocadero and ending up promoting a fictional children's character. But a conventional property investor is something that Wray is not. Although the bulk of his fortune is tied up in Burford, his wealth has its roots in publishing rather than bricks and mortar.

why Wray has been such a successful investor. His instinct for backing talented individuals, such as Nick Leslau or Michael Green, is one reason. Sheer enthusiasm and affability have also played a part. In the closed and gossip-ridden world of commercial property, it is virtually impossible to find anyone with a bad word to say about Nigel Wray.

meeting at the wedding of a mutual friend. There have been setbacks along the way. Peoples Phone, the mobile phone retailer in which Wray holds a significant stake, delayed its planned flotation earlier this year following the abrupt departure of its chief executive.

Even so, Wray's reputation among investors, especially small investors, is formidable. His decision to buy a stake in a company is usually followed by a sharp appreciation of the shares.

One of his latest ventures is the transformation of Black & Edgington, an obscure supplier of mar- quees, into SkyPharma, an acquisitive drugs company.



Wray plans to relaunch Enid Blyton's Noddy in the US

NAMES IN THE NEWS

P&O and Stena brave the choppy Channel

Things are getting tense in the English Channel, writes Geoff Dyer in London. Two weeks ago, Sir Alastair Morton, co-chairman of Eurotunnel, the Anglo-French operator of the Channel tunnel, was feeling the heat as Eurotunnel announced annual losses of \$925m.

property and construction group's lamentable communications with the City. But the numbers also emphasised the fact that Lord Sterling, 61, now faces some very tough decisions.

which prevent it from discussing mergers with its cross-channel rivals. P&O insists it has no specific plans to merge with Stena, the second biggest ferry operator on the Dover-Calais route.

former construction industry chief based in the Swedish city of Gothenburg sounds an unlikely individual to be heavily involved in the cut-throat battle for survival in the English channel ferry business, reports Hugh Carnegie in Stockholm.

deepening of Stena's losses in the first quarter of this year from SKR404m last time to SKR504m. But Lerenius, 50 this year, is not perturbed, stressing that Eurotunnel's success in taking more than 40 per cent of the cross-channel market may be hard to sustain.

Stena is cutting duty-free prices and will soon add two ships to its existing three vessels on channel routes, in a defiant further addition of capacity. Lerenius is taking over as chairman of Stena's UK operations so as to thrust himself even deeper into the fray.

"We have no intention of doing anything else but going on our own," he says.

Peter Norman - Economics Notebook

Who's in aid of ecological tax reform? Pressure for environmentally friendly policies is growing but so is the opposition

There is nothing that pleases a policy-maker more than being able to kill two birds with one stone, unless it is action that deals with three issues simultaneously. Ecological tax reform has just such an appeal for Germany's Social Democrats and the environmentalist Greens, the two main opposition parties to Chancellor Helmut Kohl's ruling coalition.

the likely effects of an energy tax, levied per unit of energy on fossil fuels and electricity, that would rise by 7 per cent annually over a 10-year period. The tax was conceived as part of a revenue-neutral reform which would pay households an "ecological bonus" with the aim of leaving them no worse off and reduce unemployment by financing a cut in employers' contributions to pension, health and unemployment insurance schemes.

German tax-payers and the Frankfurter Institut, a free market think-tank committed to combating the many rigidities that Germany's "social market" welfare state has imposed on the nation's economy. Karl Heinz Dilke, the president of the tax-payers' group, has raised constitutional objections on the grounds that ecological taxation could breach the principle that taxes should not exceed the taxpayer's capacity to pay.

fare restructuring in the "programme for more growth and employment" were agreed by the Bonn coalition parties 30 days ago. They will stand a better chance of passing the Bundestag, the second chamber of parliament, where SPD-controlled state governments have a majority. If there is an ecological component to reform. The government's plans include one step: a planned reform of motor vehicle taxes that will link the amount of tax paid to exhaust pollution.

Whether such a simple proposal could negotiate Germany's parliamentary jungle is unclear. But the Solms idea appears to meet the first rule for ecological taxation laid down by the sceptics of the Frankfurter Institut, namely that "the introduction of any such tax must offer advantages even if the desired but sadly uncertain environmental advantages fall to materialise".

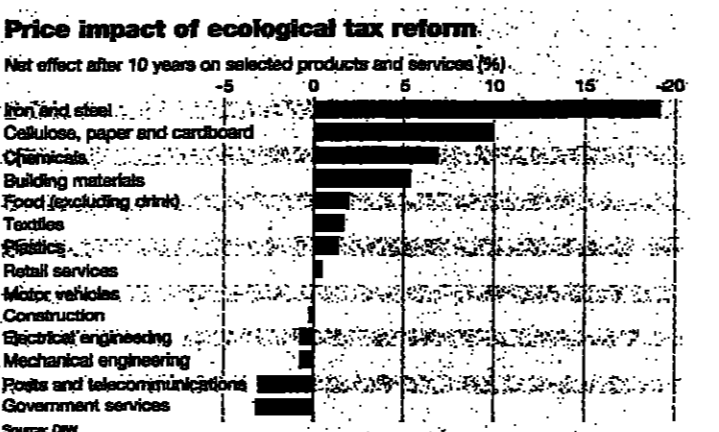


Table with 4 columns: Product/Service, Price per unit, and Net effect after 10 years. Includes items like Motor vehicles, Construction, and Government services.

Table with 4 columns: 1/2 hour, 1 hour, 1 1/2 hours, 2 hours. Lists various services and their associated costs.

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FINANCIAL TIMES COMPANIES & MARKETS

LEGAL DEFINITIONS commission n. as in European 1 what we must be at the heart of 2 what we must be at the throat of (see Euroseptic) 3 fee paid to an agent. see ROWE & MAW: asap (ph 0171-248 4282) Rowe & Maw LAWYERS FOR BUSINESS

Bourses to launch new junior market

By Christopher Price in London Competition from European exchanges for the attention of UK companies and investors is set to increase following an agreement between the Paris, Frankfurt and Brussels bourses to co-operate on the launch of a pan-European market for smaller companies.

Crumpled paper groups try to straighten out

Battered pulp and paper producers are starting to poke their heads above the parapet after a brutal nine-month pounding that has left them bruised and dazed.

UK utility plans Australian bid

National Power has confirmed it is considering making a joint bid for the brown coal-fired Hazelwood power station in Victoria, Australia. It would make a \$1.6bn (US\$1.25bn) bid this summer with Pacificorp, the US utility.

AGF sale brings pledge from chairman

By David Owen and Andrew Jack in Paris

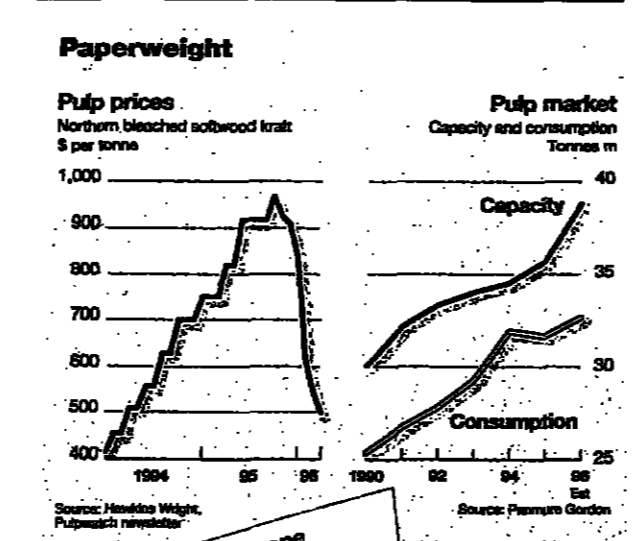
Mr Antoine Jeancourt-Galignani is to step down from the board of several large French companies following the French state's decision to sell the bulk of its holding in Assurances Générales de France, one of the largest French insurers.

Analysts predict privatisation of French insurer could yield FF10bn as head promises to cut outside interests

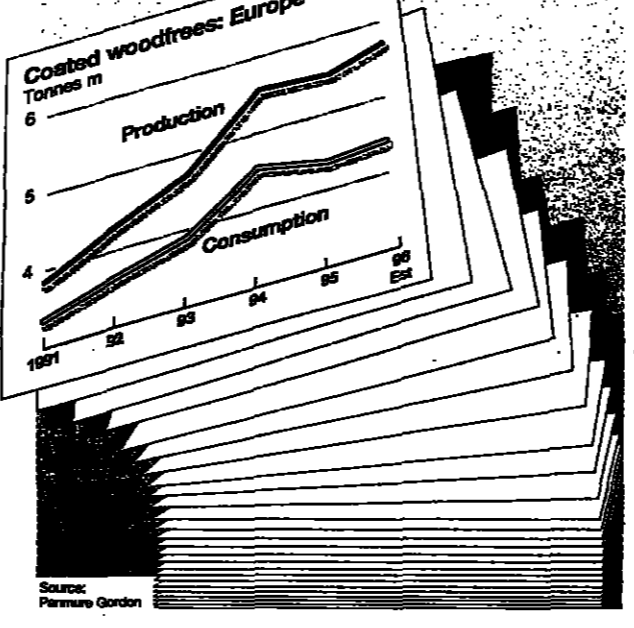
Analysts predict privatisation of French insurer could yield FF10bn as head promises to cut outside interests. Assurance of France and INA of Italy all intended to become shareholders because of their "technical, commercial and financial relations" with AGF.

US pulp producers hope price rises will heal wounds caused by savage cuts

Paperweight



Indonesians have realised that they are not immune from counter-attack from the rest of the industry, says one North American executive.



Over the past few weeks, several US pulp producers have announced price increases to take effect on June 1, with most grades going up by \$60 a tonne to \$450-\$480 a tonne.

Improvement in the market until the end of the year. "The pulp price may bounce in early 1997 if inventories are successfully reduced..."

China has reappeared in the past month or two as a sizeable pulp and paper importer. In addition, recent declines in German interest rates have encouraged forecasts of stronger demand in western Europe.

Deborah Hargreaves, Patrick Harverson and Bernard Simon

Some observers question if companies have the discipline to make the price increases stick

warmed recently that the downturn in the market could extend into 1997. The company said demand would not catch up with supply and prices would not improve until world economic growth strengthened.

Pharmacia & Upjohn takes \$257m charge

By Daniel Green in London

Pharmacia & Upjohn, the pharmaceuticals company formed from the merger of Swedish and US parents last year, took a \$257m restructuring cost charge for its first full quarter of existence.

The merger was on track, said Mr John Zabriskie, chief executive, and the annualised cost savings were on target to reach the \$500m originally predicted. Some 85 per cent of the savings are projected to take effect in 1997.

rates at other large pharmaceuticals companies which have reported first-quarter sales increases of approaching 10 per cent. The company said that this was because its position in the product cycle meant that sales of older drugs which had lost patent protection were still falling while new drugs were not yet compensating.

Sales of infectious disease treatments, the company's biggest single medical area, fell 14 per cent from \$190m to \$163m. Other companies have seen a similar effect as a result of less severe influenza in 1996 than the year before.

INSIDE

Kvaerner

Kvaerner, the Norwegian engineering and shipbuilding group, has decided against an immediate sale of the property assets of Trafalgar House, the UK group which it acquired last month.

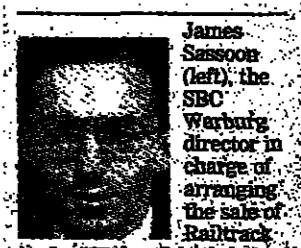
Merita

Merita, the dominant Finnish banking group, reported a pre-tax profit of FIM232m (\$48.5m) in the first quarter of the year, countering gloomy speculation about its financial health. Page 18

Fund Management

Voting guidelines are part of a wider trend for UK trustees and fund managers to take a greater interest in companies' corporate governance structures. Formalisation of the corporate governance process, through a commitment to vote in accordance with guidelines represents a big change from the traditional UK system of private conversations between fund managers and companies. Page 19

Faces



James Sanson (left) the SBC Warburg director in charge of arranging the sale of Railtrack in the UK. He has found that preparing the company for market has taken 18 months and a team of 26 people. "It's like running a full-service investment bank," he says. Page 40

Global Investor

European companies are having to pay much more attention to investors' demands, thanks to the broadening of their shareholder base and an emphasis on Anglo-Saxon corporate governance and healthy return on capital. Page 20

Innovation in the German equity-linked market

Deutsche Finance (Netherlands) B.V. DM 1,000,000,000 1% Deutsche Mark Global Bonds of 1996/2001 200,000 Bonds of DM 5,000 each

unconditionally and irrevocably guaranteed by Deutsche Bank Aktiengesellschaft exchangeable into Shares of Allianz Aktiengesellschaft Holding

Deutsche Morgan Grenfell Deutsche Bank Aktiengesellschaft Morgan Stanley & Co. UBS Schweizerische Bankgesellschaft Bayerische Vereinsbank AG Commerzbank CS First Boston Effektenbank Dresdner Bank-Kleinerwort Benson Goldman, Sachs & Co. OHG

Deutsche Morgan Grenfell

Daewoo plans to open more outlets in UK superstores

By John Griffiths in London

Daewoo, the South Korean carmaker, is expected to open more car sales outlets in Sainsbury's Savacentre superstores in the UK, following the success of a pilot project.



On show: Daewoo has bypassed independent car dealers in the UK

The venture between Daewoo and Sainsbury marks the first substantive attempt to sell new cars through a hypermarket chain in the UK since the failure of a venture involving the Asda group in the 1980s.

Daewoo intends to continue expanding its own wholly owned outlets, but the Savacentre venture is seen as providing relatively cheap access to large numbers of potential buyers. Daewoo's showroom has a new car on display, touch-screen multimedia technology, and six demonstrators available for test drives.

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ING BANK
उभरती अर्थ-व्यवस्थाओं और पूंजी बाजारों में माहिर है हम
ING BARINGS

FINANCIAL TIMES
MARKETS
THIS WEEK

ING BANK
At Home in Emerging and Capital Markets
ING BARINGS

Global Investor / Martin Dickson

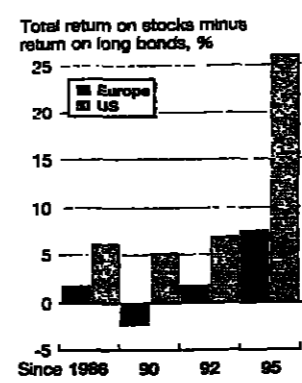
Europe takes to restructuring

Last week's deal by Suez, the French holding company, to sell control of its Banque Indosuez subsidiary underscores the scope of the restructuring wave developing across continental Europe. This has been a significant factor in the strength of the European equity market so far this year. The European (ex-UK) component of the FT/S&P World Index rose 12 per cent in local currency terms in the first four months of 1996, against a 6 per cent rise in the US and just less than 8 per cent for the Pacific Basin, though in dollar terms the three regions were each up about 6 per cent.

In considerable measure to a widespread expectation that, after a mid-cycle destocking pause, solid economic growth will resume in the second half of this year, helped by a benign interest rate environment and recovering consumer confidence. A measure of doubt has been cast on this theory by a series of bearish trading forecasts from some large manufacturers in cyclical sectors. But whatever the general economic environment, there are grounds for expecting relative outperformance by those European companies which are at last taking restructuring seriously. A recent research note by Mr Francois Langlade-Demoyen, European equity strategist at CS First Boston, estimates that over the past 10 years total average returns in dollar terms on European stocks (excluding the UK) have been consistently 4 to 5 percentage points below returns in the US - despite higher annual GDP growth and higher inflation. He suggests that the main reason is that up till now "maximisation of shareholder value has not been the primary objective of corporate management in Europe."

France, an archetypal French conglomerate, with interests in an array of industries and an elaborate system of cross-shareholders with other leading companies, is at the start of restructuring. But the Banque Indosuez sale is a dramatic step by Mr Gerard Mesrallet, brought in as chairman last year in place of the ousted Mr Gerard Worms, for until recently he had been insisting the bank was a core asset. Shareholders in European companies are likely to benefit in several ways from the new approach. Obviously, improved performance should eventually translate into higher market ratings. But there are other ways to return value to shareholders. One is an improved dividend policy. Mr Richard Davidson, an analyst at Morgan Stanley, has long argued that a long, slow cycle of economic growth, coupled with repaired corporate balance sheets and strong cash flow, gives European companies cash to recycle, and the next year or so will see a substantial increase in dividends relative to earnings. An alternative is share buy-backs, though in many continental countries these are currently illegal (Germany and Sweden), limited in scope (Belgium and the Netherlands) or tax inefficient (Switzerland). But the position is improving. Germany and Sweden may pass laws legalising buy-backs over the next couple of years and several German cyclical, notably BASF, are interested in buy-back programmes. Mr Langlade-Demoyen points to other possible buy-back candidates: Europe's overcapitalised banking sector (including Deutsche Bank and Scandinavian's Nordbanken and Swedbank); German insurers Allianz and Munich Re; mature cyclical, including many French companies; and luxury goods manufacturers, such as Hermès.

Europe underperforms US



Total return in local currency to 3/6/96

Table with columns for US, Japan, Germany, France, Italy, UK and rows for Cash, Bonds 3-5 year, Bonds 7-10 year, Equities.

COMPANY RESULTS DUE

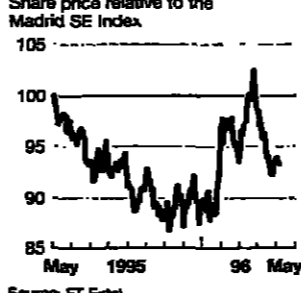
Falling cost ratios should help lift Winterthur

Winterthur, the Swiss insurance group, is expected on Wednesday to report a 1995 net profit of between SFr415m and SFr430m (\$336m-\$348m), against SFr364m. Analysts expected the group to propose a 1995 dividend of between SFr18 and SFr19, compared with SFr17. Gross premium income should rise from SFr20.46bn to between SFr22.5bn and SFr23bn.

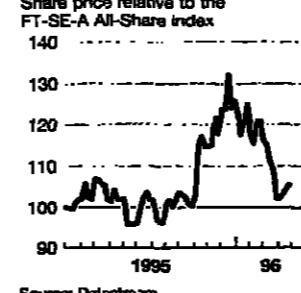
life business should boost group earnings. The group's net profit should also benefit from a rise in financial income to SFr4.5bn against SFr4.18bn a year earlier. Mr Alpiger said investing should not expect any near-term benefits from Winterthur's recent bank assurance co-operation agreement with Credit Suisse. Hafsland Nycomed: The Norwegian bioscience and energy group is today expected to report pre-tax profit for the first quarter to March 31 in the range of Nkr460m to Nkr500m (\$69m-\$84m), compared with Nkr456m earlier, analysts said. The broad range reflects uncertainty about the performance of its energy division, while the general focus of investors will be on trends in the main medical imaging business. Estimates of Norwegian hydro-power earnings are being reduced because low reservoir levels may have forced producers to fill contracts by buying in the much more expensive spot market.

At the end of March, the company said AMHS, the US purchasing group, was terminating its favoured supplier agreement. Last month, news that a US patent extension had been denied to a competing product was taken as a further sign that price competition would be stepped up as more generic products come on the market. Assicurazioni Generali: Italy's largest insurer will announce its consolidated full-year results for 1995 tomorrow, writes Andrew Hill in Milan. Analysts are expecting a net profit attributable to the parent company of about L725bn (\$494m), compared with L641bn in 1994. In March, Generali, under Mr Antoine Bernheim, its new chairman, signed an agreement with Axa of France to simplify the Italian company's shareholding in the French insurer. The deal could open the way either to a straight sale of the Generali stake or the pursuit of new joint development opportunities. Repsol: The Spanish oil group is this week expected to report first-quarter net profit after minorities of between Pta31.2bn and Pta33bn (\$246m-

Repsol



Royal Bank of Scotland

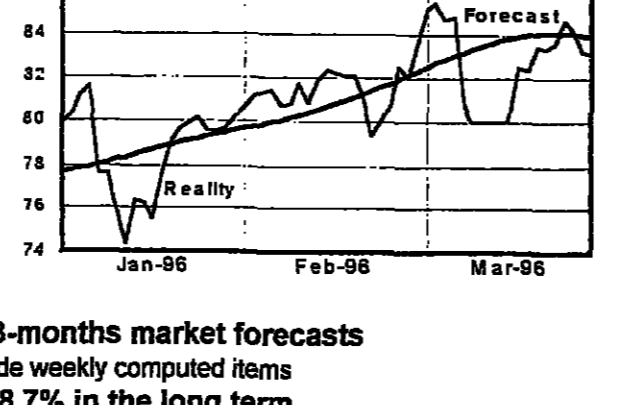
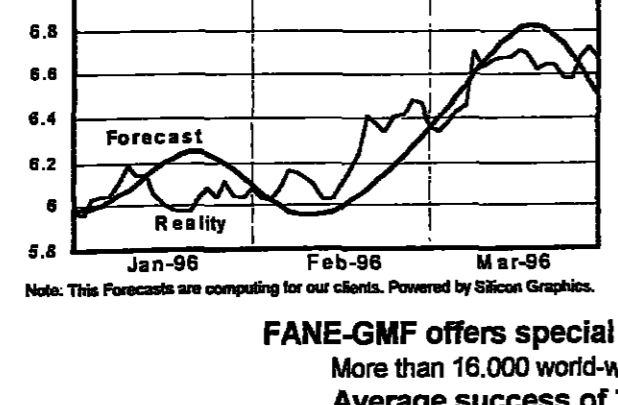
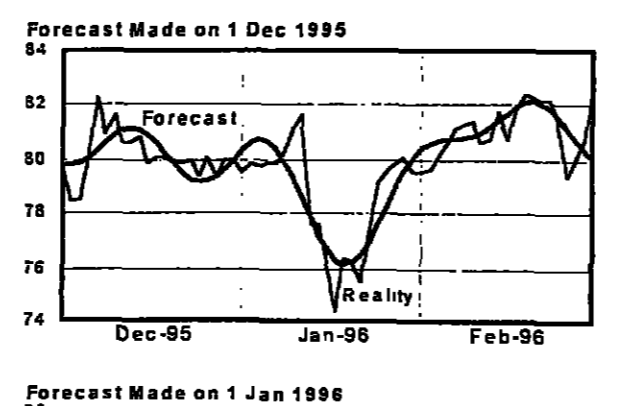
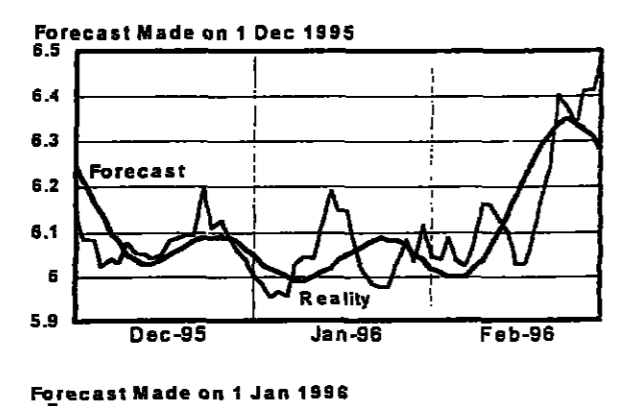
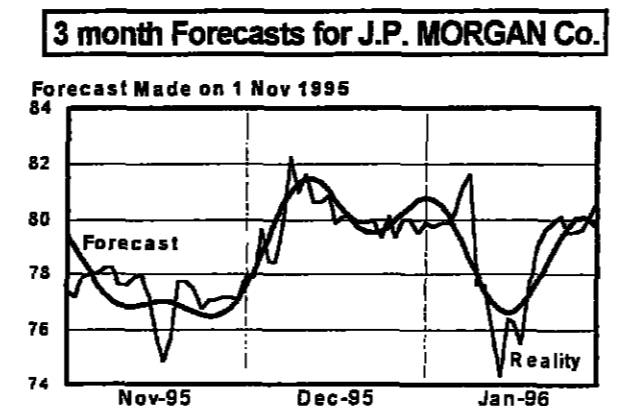
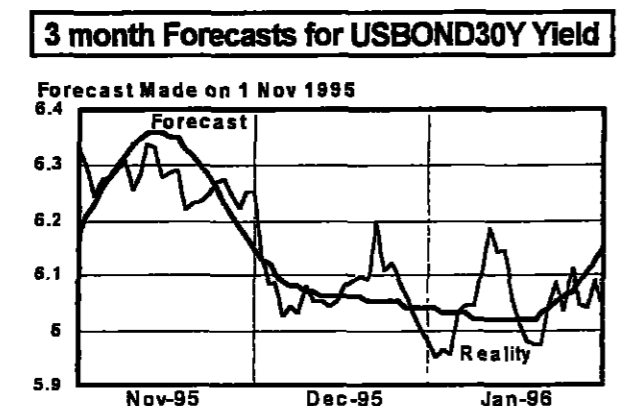


From the chemical sector will be... worse in the first quarter of 1996 compared with a year earlier, when this part of the company's business was particularly buoyant. The chemical sector only really began to suffer a setback in the second half of last year," he said. He expected a fall of about 60 per cent in petrochemical division earnings in the first quarter. The other negative factor affecting operating profits originates from the marketing activity, where Mr de Villaret expected to see a squeeze on margins, because of the delay in the company being able to pass on increases in oil prices to the consumer. Olivetti: Shareholders in the Italian computer group will get their first chance to comment on the company's record 1995 losses on Friday at the annual meeting. Last year's successful L2.257bn rights issue left some

70 per cent of the shares in non-Italian hands, and many believe foreign fund managers may use the meeting to comment on Olivetti's attempts to restore profitability. Royal Bank of Scotland: Doubts over the performance of the Direct Line insurance subsidiary have made it difficult to forecast Royal Bank's interim results for the six months to March 31. Most analysts expect group pre-tax profits of £200m-£310m, compared with £270m when it reports on Wednesday. Estimates for Direct Line, which has suffered from price competition and higher claims, range from zero to £45m. British Petroleum: Tomorrow BP will be the first big oil group to report its quarterly figures and analysts are looking for pre-tax profits of £370m-£580m for the opening three months. That will represent

an improvement on the £461m for the same period in 1995. However, the figures will be slightly flat because of £56m of rationalisation charges took a sizeable chunk out of profits a year ago. Higher oil prices - the average price of Brent crude was \$18.55 per barrel, up from \$16.88 - and stronger gas volumes because of the cold winter will have helped offset weakness in downstream profits because of continued competition at the UK pumps. Shell: The petroleum and gas conglomerate should have benefited from higher oil prices and gas sales in the first three months, but poor downstream earnings and a relatively disappointing performance from chemicals will mean the headline improvement in profits is less than striking when reports on Thursday. The consensus among analysts is pre-tax profits of about £1.25bn, against £1.34bn.

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INTERNATIONAL EQUITIES By Antonia Sharpe

Attractions of insurance offerings

The forthcoming selection of offerings from insurance companies will probably not get investors' pulses racing in quite the same way as some of the sexier IPOs in the international equity markets in recent months - Gucci, Orange and Harvey Nichols for instance. But even if insurance is not the most glamorous of industries, analysts say such offerings should be a fairly safe bet for international investors who are becoming wary of the froth which is forming in the primary equity market. The recent consolidation in the industry, particularly in the UK, and the fact that many insurance stocks are trading below their net asset value, have attracted investors' attention. In addition, insurance companies should benefit in coming years from the trend in Europe to shift the responsibility of pensions from the state to the private sector. The flotation of Mediolanum, one of Italy's leading non-bank providers and distributors of insurance and mutual fund products, is the first of a pipeline of insurance companies to come to market. From a stock market point of view, Mediolanum's timing could not be better. The Italian stock market has risen about 6 per cent since the general election triumph of the centre-left Olive Tree alliance and international investors wanting to increase their exposure to the country are finding that there is a shortage of suitable Italian assets for sale. The owners of Mediolanum, the entrepreneur Mr Ennio Doris and Mr Silvio Berlusconi's Fininvest group, hope to raise up to L384bn (\$250m) from the sale of about 22 per cent of the company. The international book-building period starts today and pricing is expected on May 17. The price range has been set at L10,000 to L12,000 a share. Hard on Mediolanum's heels will be the French govern-

ment's sale of its 56.9 per cent stake in Assurances Générales de France, which is worth about FF10.8bn (\$2bn) at current market prices. Pre-marketing is due to start today and the public offer will open on May 21. Some analysts say that for investors looking for earnings recovery and restructuring, AGF offers both. On the basis of their 1996 and 1997 forecasts, AGF has the lowest price-earnings ratio and highest yield in the sector, which they say is not justified. In addition, the sale of the state's holding will significantly increase the free-float of AGF shares, making them easier to trade. But given the patchy track record of French privatisations, the government will have to offer an attractive discount to the current share price to marshal the support of international investors. Tryg Baltica, the Danish insurance group, is also in the process of selling between 20 and 25 per cent of its equity to international investors, which could raise about Dkr1.5bn (\$250m). The proceeds will be used to pay down debt taken on last year when Tryg acquired most of the non-life assets in Baltica. But the flotation which could have the most far-reaching implications for international investors is that of Sun Life and Provincial Holdings, the UK subsidiary of UAP, the French insurance group. Last week UAP said it planned to raise about £500m from the sale of a minority stake in the company. For years, the concept of enhancing shareholder value has been an alien one to the managements of continental European companies but UAP's decision to float off Sun Life has raised hopes that it is finally catching on. The flotation, which is expected to go ahead before the summer, is likely to value the company at between £1.2bn and £1.6bn, according to analysts.

FT/S&P ACTUARIES WORLD INDICES

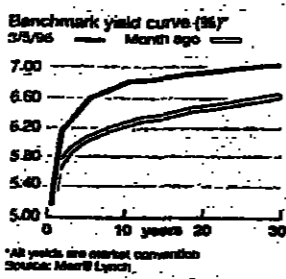
Table with columns for Country, Index, %Chg, and Dollar Index. Includes countries like Australia, Austria, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, Mexico, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, United Kingdom, USA, Europe, Nordic, Pacific, Euro-Pacific, North America, Europe Ex UK, Pacific Ex Japan, World Ex US, World Ex Japan, and The World Index.

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MARKETS: This Week

NEW YORK By Lisa Bransten

Last week's figures on employment levels in April were supposed to resolve the uncertainty over the prospects for the US economy that have so troubled the financial markets for the past two weeks. Instead, the weaker than expected figures on job growth - coming as they did on the heels of data showing strong economic growth in the first quarter - left many on Wall Street with more questions than answers.



One place they may turn to for guidance will be the Federal Reserve's Beige Book, a summation of central bank views about the strength of the economy prepared in advance of the May 21 meeting of the Fed's Open Market Committee.

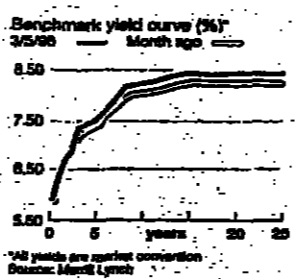
COMMODITIES By Richard Mooney

Gold market looks for guidance

Gold Fields Mineral Services suggested in an interim gold market report at the start of January that the prospects for a substantial run-up in the gold price depended largely on speculators.

LONDON By Philip Goggin

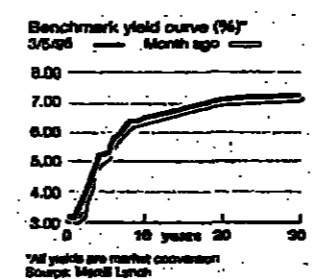
The UK equity market will probably relish the rest provided by today's public holiday so it can digest the welter of corporate news that emerged last week.



Another adverse factor was the further signs of the strength of the US economy, prompting fears that the Federal Reserve might raise interest rates. The mood on Wall Street will remain an important influence this week.

FRANKFURT By Wolfgang Münchau

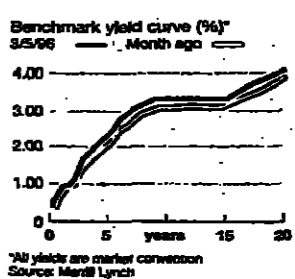
There are not many optimists left in Frankfurt. After a good start to the year the DAX had a bad week and there are analysts who think that the index has peaked for the cycle and that from now on it can only move downwards.



Some even speak of a major correction, while others courageously stick to their forecasts for a year-end DAX of 2,700 or more.

TOKYO By Emiko Terazono

With the benchmark Nikkei 225 index falling 2.6 per cent on the week, investors may find room for bargain hunting when they come back from their holidays on Tuesday.



Of export related companies are likely to be at the centre of attention. On the bond market, supply concerns are likely to weigh on confidence due to the scheduled issuance of six-year government bonds and a significant amount of corporate bonds coming on to the market.

OTHER MARKETS Compiled by Michael Morgan

PARIS

Until the end of last week, when the CAC-40 index suffered following the release of US data, there had been a satisfying upward trend to the market's performance.

STOCKHOLM

The first quarter reporting season remains in full swing, with results still awaited from a number of the large blue chips.

HONG KONG

Investors will focus on the US as the week begins, looking at the US jobs data - released after the Hong Kong market closed on Friday night - and monitoring Wall Street's response.

BRADY BONDS

Brady bonds are likely to continue taking their cues from US Treasuries this week.

CURRENCIES By Graham Bowles

Dollar/yen exchange rate stays focus of attention

Japanese investors return to the fray this week as the Golden Week holiday draws to a close. There is a keen eye on whether the holiday has refreshed Japanese enthusiasm for investing overseas, especially in dollar assets.

The dollar slid after bonds and equities were hit by a batch stronger than expected GDP number but then regained some composure when Friday's payroll number showed a rise of only 2,000 jobs last month.

man economy is set to recover after weakness earlier this year. After last week's stronger industrial production figures, some economists are braced for a large drop in unemployment, which would underpin the D-Mark.

FT GUIDE TO WORLD CURRENCIES

Table with columns for Country, Currency, and Exchange Rate (US \$, D-Mark, Yen). Includes entries for Afghanistan, Albania, Algeria, Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Colombia, Costa Rica, Czech Rep, Denmark, Dominican Rep, Ecuador, Egypt, El Salvador, Equatorial Guinea, Ethiopia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Japan, Jordan, Kazakhstan, Korea, Kuwait, Kyrgyzstan, Laos, Latvia, Lebanon, Lithuania, Luxembourg, Macedonia, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Moldova, Monaco, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Russia, Saudi Arabia, Senegal, Serbia, Singapore, Slovakia, South Africa, South Korea, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Taiwan, Tajikistan, Tanzania, Thailand, Timor, Trinidad, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, Uzbekistan, Venezuela, Vietnam, Yemen, Yugoslavia, Zambia, Zimbabwe.

CROSS BORDER M&A DEALS

Table with columns: BIDDER/INVESTOR, TARGET, SECTOR, VALUE, COMMENT. Includes deals like Akusalese-Lonza (Wheaton), Zurich Insurance (Provident Companies), Merck (Seven Seas), Banco Santander (CC-Holding), General Accident (Units of UAP), Virgin (Euro Belgian Airlines), BPB Industries (Börgerichs), Slabe (EPO Electronic), Eolpae Filinds (Montage), Sere Lee (Aosta).

TO SAVE THE RAINFOREST WE PROVIDE TREES TO CHOP DOWN. By helping people in the rainforest to plant trees, WWF are working to solve some of the problems that cause deforestation. Where trees are chopped down for firewood, we help plant fast growing saplings as a renewable source of fuel. This is particularly valuable in the Impressante Forest, Uganda, where indigenous households take up to two hundred years to mature. The Mathias forest uses WWF grow on the local villages are ready for harvesting in only five years. Where trees are chopped down for fire in construction, as in Pakistan, we supply fast growing local plant species. The idea behind all our work is that rainforests need to be replaced. Write to the Membership Officer at the address below.

DANONE. Antoine RIBOUD announced his resignation as Chairman of DANONE Group to the Board of Directors meeting on Thursday, May 2. Directors paid a warm tribute to the work of Mr. RIBOUD, who has devoted his life to the creation and expansion of the BSN Group, which became DANONE Group in 1994. In the space of 30 years, Antoine RIBOUD built up SOULCHON, a glass container company with sales of FF 200 million, into a food group which is the largest in France, Spain and Italy, as well as the second largest worldwide. With annual sales approaching FF 100 billion, DANONE is now world leader in dairy products and biscuits and number two worldwide in mineral water. It also holds strong positions on European markets for grocery products, beer and glass containers. His personality has made his mark on both the business world and social thought in the course of these three decades. Michel DAVID-WELL, Vice Chairman of the Board of Directors proposed the creation of a Strategic Advisory Committee to be presided by Antoine RIBOUD. Mr. RIBOUD, who remains a member of the Board, was also appointed Honorary Chairman of the Group. Michel DAVID-WELL proposed the appointment of Franck RIBOUD as Chairman and Chief Executive Officer of DANONE Group. This appointment was approved unanimously. Franck RIBOUD joined DANONE in 1981 and his experience covers all areas of Group business from dairy products to mineral waters, in positions ranging from sales executive to General Manager of Ebnan. Appointed head of Group Corporate Development in 1992, he has accelerated the pace of international expansion, notably in Asia and Latin America. In 1994, he was appointed Vice Chairman and Chief Operating Officer of the Group. Franck RIBOUD, DANONE Group's new Chairman, proposed the appointment of Philippe LENAIN as Vice Chairman and Chief Operating Officer. All these decisions will take effect at the end of the Annual General meeting of Shareholders to be held on May 7.

MARKETS: This Week

EMERGING MARKETS By Tony Walker

Silver lining for China's B-shares

Spare a thought for brokers in China whose task it is to forecast the performance of Chinese enterprises in an opaque economy moving from rigid central control to a market-based system. In their estimates of 1995 earnings for B-share companies listed on the Shanghai Stock Exchange, brokers' forecasts were, in some cases, out by hundreds of percentage points as enterprises slid deep into the red. Results for the year were far worse than even the most gloomy predictions. Mr John Crossman, chief representative in Shanghai for Jardine Fleming, said the "entire research community had been caught out". Analysts had predicted low earnings, but had not been prepared for such a "flood of red ink". Shanghai Tyre and Rubber, for example, recorded losses of Yn170.4m, down from a modest profit of Yn6m in 1994. This result bore no relation to brokers' estimates. The calamitous year for many Chinese companies is attributed to a lingering credit squeeze, a steep climb in accounts receivable and bulging inventories. The disastrous results, compounded by the fact that companies were not forthcoming about their problems during the year, are hardly likely to encourage fund managers to commit funds to China's markets, but Shanghai brokers believe the worst may be over. Mr Richard Graham, chief representative in Shanghai of ING Barings, said the B-share index, hovering around 50 points, may be ready for a "bit of a run up to 60 on the back of an improving macroeconomic picture, rather than a lift in corporate earnings". B-shares, denominated in US dollars in Shanghai and Hong Kong dollars in Shenzhen - China's two fledgling stock exchanges - reached 106.78 in the Shanghai market on December 31 1995. The shares are technically restricted to foreign investors, but it is estimated about 35 per cent are held by local Chinese, many of whom purchased them through friends in Hong Kong. Mr Graham cited last week's cut in interest rates and signs of an easing in credit restrictions as grounds for cautious optimism about corporate earnings, but said investors would continue to be wary. "Analysts have been consistently optimistic and disappointed. Chinese companies are good at telling the good news, but not so good at telling the bad news," he said. On the Shanghai B-market, worst performing companies in the past year were those engaged in the manufacturing sector, especially those producing machinery for the textile industry. Real estate was also affected by the credit squeeze. Mr Graham said China's B-share markets were seeing a continuing process of "separat-

ing sheep from goats" as far as the management of companies was concerned. In electrical products, for example, companies which had sought to tap foreign expertise and capital were doing better than those remaining home-grown. Shanghai Electrical, which had joined forces with Mitsubishi, had outperformed Naricuss. The latter had sought to develop its own product range in the consumer electrical goods field, but had experienced a difficult year with profit down nearly 60 per cent. Shanghai recorded a 10 per cent drop in after tax profits, a respectable performance given difficult trading conditions. Among Shanghai B-share companies whose profits were more or less in line with expectations were New Asia, a property and hotels group, Daijiao, a big poultry producer, Chlor Alkali and Daizhong Taxi. Brokers said these companies were distinguished by relatively competent management. John Crossman of Jardine Fleming expects corporate earnings to be weak for at least the first half of this year, but an improvement in the second half in preparation for a "nice year next year". He noted that China will be holding its 15th Communist Party Congress in late 1997, and the authorities would be striving for a positive economic outlook after the "recession" of the past three years. Beijing instituted a credit

INTERNATIONAL BONDS By Conner Middelmann

Tumbling rand triggers fall in S African bonds

The recent tumble in South Africa's currency has reminded international investors why rand-denominated bonds yield as much as they do. "Whenever you buy a high-yielding bond, the return should be a fairly clear warning that there are risks attached," said one London banker. "In South Africa, investors receive a hefty yield premium in return for accepting political, economic and currency risk." The South African bond and currency markets are closely linked because the participation of foreign investors in our bond market is inordinately high," explained Mr Nico Czaplonka, chief economist at Standard Bank in Johannesburg, who said that domestic bonds issued by Eskom, the government-owned power utility, for example, were more than 50 per cent owned by foreign investors. Since the South African bond market is highly liquid, overseas investors can sell their rand bonds at the first sign of trouble, pushing bond yields higher and the currency lower. "This has created a downward vortex, where currency weakness fuelled bond selling, which in turn has sucked the currency further down," says Mr Czaplonka. Since its 1996 peak in mid-January, the rand has fallen by 17.4 per cent, trading last Friday at R4.38 against the dollar after dipping as low as R4.59 a week earlier. The yield on the benchmark 12 per cent government bond, due in 2005, slipped to 16.35 per cent on Friday, from 13.35 per cent in February. The rand's fall began in mid-

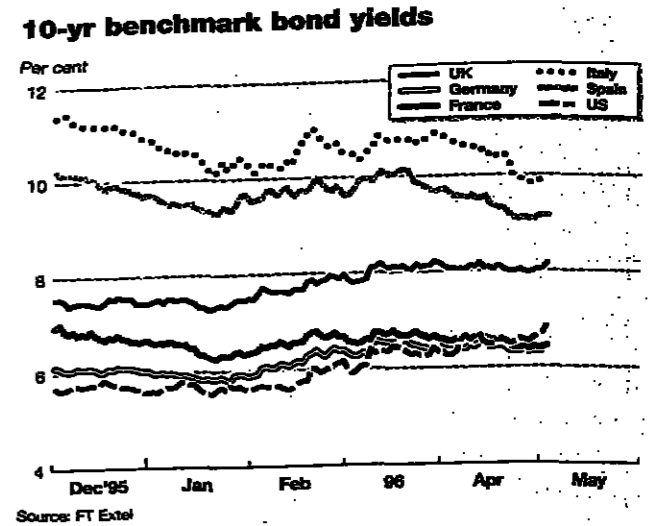


Table titled 'INTEREST RATES AT A GLANCE' showing rates for USA, Japan, Germany, France, Italy, and UK across various terms like Discount, Overnight, Three month, One year, Five year, and Ten year.

ING BARINGS SECURITIES EMERGING MARKETS INDICES

Table showing emerging market indices for World, Latin America, Europe, Asia, and Africa, with columns for Index, 3/5/96, Week on week movement, Month on month movement, and Year to date movement.

South Africa



While the government has said it does not plan to remove controls in one fell swoop...

While the government has said it does not plan to remove controls in one fell swoop, fears remain that a swift removal of controls might release a wave of pent-up cash, weakening the rand further. Nevertheless, there are those who feel the self-off has been overdue. "The current exchange rate in no way reflects fundamentals," says Mr Czaplonka, "although that probably cuts no ice in a volatile market. For instance, purchasing power parity analysis suggests the rand should stand at around R3.80 to R3.90 against the dollar." Indeed, although recent interest rate hikes in support of the currency may put a lid on growth, the economy is still expected to expand by at least 3.6 per cent this year. Inflation is at its lowest level in 24 years at 6.3 per cent, and although the rand's fall is likely to boost inflationary pressures, economists are expecting an annual average rate of no more than 8 per cent. Even allowing for the harmful effect of the currency depreciation on the inflation rate, "you're still left with extraordinarily high real returns on long bonds - it's almost inevitable that they'll decline," agrees Mr Czaplonka. "If the currency bounces back and yields fall, investors could get a double whammy."

HOW D-MARK INVESTORS HAVE FARED

Table showing performance of D-mark investors in various international bonds, including issues, maturity, coupon, exchange rate, and current price.

NEW INTERNATIONAL BOND ISSUES

Table listing new international bond issues with columns for Issuer, Amount, Maturity, Coupon, Price, Yield, Launch, and Book-runner.

Advertisement for ABN-AMRO Holding N.V. established in Amsterdam, featuring the final dividend 1995. It details the annual general meeting, dividend amounts, and shareholder information.

Table titled 'SIGMA SECURITIES S.A. - MEMBER OF THE ATHENS STOCK EXCHANGE' providing financial data for Greece, including ASE Index, P/E, EPS, and market capitalization.

Advertisement for FT CITYLINE, Sector reports by Fax, Banks and Insurances, 0891 437 151. It offers the latest share price reports by dialling the number.

Advertisement for SGA SOCIETE GENERALE ACCEPTANCE N.V. offering a 100,000,000 REVERSE FLOATING RATE NOTES DUE FEBRUARY 2, 2004.

Advertisement for CONTRACTS & TENDERS, inviting tenders for the Administration of Galati Free Zone - Regie Autonome.

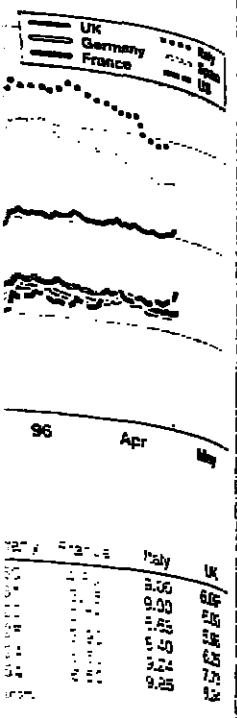
Advertisement for Macmillan Cancer Relief, asking for paperclips to fund research. Includes contact information for CRMF FreePost London SW3 3BR.

Advertisement for MARGINED CURRENCY DEALING by Laurion, offering flexible managed accounts, limited liability, and lowest margin deposits.

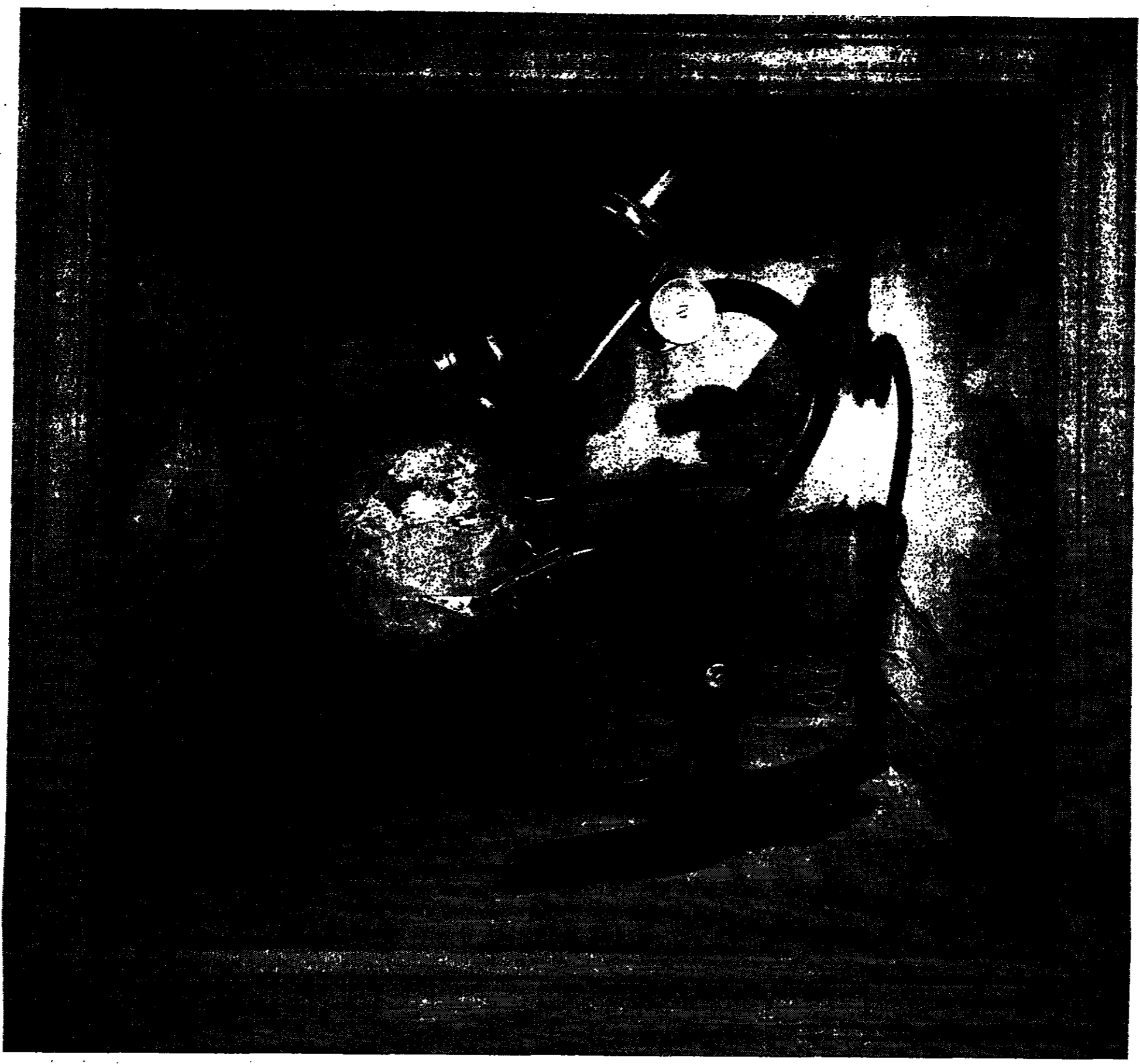
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And while the government... deficit of 1.1... still has... on the... some market... expanding... as an... real... year... credit... of the... the... in... a...



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Clifford Albert Frank

WORLD STOCK MARKETS

Table of stock market data for Europe, including sections for Germany (DAX), France (CAC), UK (FTSE), and other European indices and individual stocks.

Table of stock market data for Asia, including sections for Japan (Nikkei), Hong Kong, and other Asian markets.

Table of stock market data for Latin America, including sections for Brazil, Mexico, and other Latin American markets.

Table of stock market data for Africa, including sections for South Africa and other African markets.

Table of stock market data for Oceania, including sections for Australia and New Zealand.

Table of stock market data for the Middle East, including sections for Israel and other regional markets.

Table of stock market data for Russia and other emerging markets.

Table of stock market data for various international indices and currencies.

Advertisement for Rockwell Automatic Call Distributor (ACD) technology, featuring the text: 'Automatic Call Distributor (ACD) technology, which handles high volume in-coming calls, was pioneered by Rockwell'.

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CURRENCIES AND MONEY

POUND SPOT FORWARD AGAINST THE POUND Table with columns for Country, Currency, Bid/offer, Day's mid, One month, Three months, One year, Bank of England.

DOLLAR SPOT FORWARD AGAINST THE DOLLAR Table with columns for Country, Currency, Bid/offer, Day's mid, One month, Three months, One year, J.P. Morgan.

WORLD INTEREST RATES MONEY RATES Table with columns for Country, Term, Rate, and various interest rate categories.

CROSS RATES AND DERIVATIVES EXCHANGE CROSS RATES Table with columns for Country, Bid/offer, Day's mid, One month, Three months, One year.

FT GOLD MINES INDEX Table with columns for Mine Name, Bid/offer, Day's mid, One month, Three months, One year.

EURO CURRENCY INTEREST RATES Table with columns for Country, Term, Rate, and various interest rate categories.

UK INTEREST RATES LONDON MONEY RATES Table with columns for Term, Rate, and various interest rate categories.

UK GILTS PRICES Table with columns for Maturity, Price, Yield, and various gilt price categories.

STOCK INDICES Table with columns for Index Name, Value, Change, and various stock index categories.

UK GILTS PRICES (continued) Table with columns for Maturity, Price, Yield, and various gilt price categories.

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TELECOM ITALIA MOBILE S.p.A. Ordinary and Extraordinary Shareholders' Meeting. Includes details about the meeting, agenda, and contact information.

MEETING OF HOLDERS OF SAVINGS SHARES. Details about the meeting for holders of savings shares, including the date and location.

FAST 64 KBIT SATELLITE TECHNOLOGY. Advertisement for satellite technology services, including data and news.

ABTRUST ATLAS FUND. Advertisement for the Atlas Fund, including details about the fund and contact information.

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OFFSHORE AND OVERSEAS

BERMUDA (SIB RECOGNISED)

Table listing Bermuda funds including Royal Bank of Canada O/S Fd Mgrs Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd - Contd., and various other fund entries with columns for Name, Price, and Date.

BERMUDA (REGULATED)**

Table listing regulated Bermuda funds including Royal Bank of Canada O/S Fd Mgrs Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd - Contd., and various other fund entries.

GUERNSEY (SIB RECOGNISED)

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IRELAND (SIB RECOGNISED)

Table listing Ireland funds including Royal Bank of Canada O/S Fd Mgrs Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd - Contd., and various other fund entries.

IRELAND (REGULATED)**

Table listing regulated Ireland funds including Royal Bank of Canada O/S Fd Mgrs Ltd, Royal Bank of Canada O/S Fd Mgrs Ltd - Contd., and various other fund entries.

ROYAL BANK OF CANADA O/S Fd Mgrs Ltd - Contd.

Table listing Royal Bank of Canada O/S Fd Mgrs Ltd - Contd. funds including various international and regional funds.

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Main table containing fund names, codes, and prices. Includes sections for 'OTHER OFFSHORE FUNDS' and 'OFFSHORE INSURANCES'.

Vertical text on the left margin, including 'US YOUR APERCLIP' and 'LONDON SW1 8PS'.

MANAGED FUNDS NOTES: Detailed notes regarding fund prices, currency, and other financial details.

LONDON SHARE SERVICE

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INV TRUSTS SPLIT CAPITAL - Cont.

Table listing various investment trusts with columns for name, price, and other financial data.

LEISURE & HOTELS - Cont.

Table listing leisure and hotel companies with columns for name, price, and other financial data.

OTHER FINANCIAL - Cont.

Table listing other financial companies with columns for name, price, and other financial data.

PROPERTY - Cont.

Table listing property companies with columns for name, price, and other financial data.

SUPPORT SERVICES - Cont.

Table listing support services companies with columns for name, price, and other financial data.

AIM - Cont.

Table listing companies on the Alternative Investment Market (AIM) with columns for name, price, and other financial data.

OTHER INVESTMENT TRUSTS

Table listing other investment trusts with columns for name, price, and other financial data.

INVESTMENT COMPANIES

Table listing investment companies with columns for name, price, and other financial data.

LIFE ASSURANCE

Table listing life assurance companies with columns for name, price, and other financial data.

MEDIA

Table listing media companies with columns for name, price, and other financial data.

PAPER, PACKAGING & PRINTING

Table listing paper, packaging, and printing companies with columns for name, price, and other financial data.

PHARMACEUTICALS

Table listing pharmaceutical companies with columns for name, price, and other financial data.

RETAILERS, FOOD

Table listing food retailers with columns for name, price, and other financial data.

RETAILERS, GENERAL

Table listing general retailers with columns for name, price, and other financial data.

TELECOMMUNICATIONS

Table listing telecommunications companies with columns for name, price, and other financial data.

TEXTILES & APPAREL

Table listing textiles and apparel companies with columns for name, price, and other financial data.

AMERICANS

Table listing American companies with columns for name, price, and other financial data.

CANADIANS

Table listing Canadian companies with columns for name, price, and other financial data.

SOUTH AFRICANS

Table listing South African companies with columns for name, price, and other financial data.

Templeton investment advertisement featuring a duck logo and text: 'Seeking out under-valued investments across the globe, Templeton have become experts in spotting potential swans. HOW TO INVEST THE TEMPLETON WAY. AS EXPLAINED BY THE UGLY DUCKLING. Now you can share the investment principles which Templeton consider to be of enduring value to investors. For your copy of the Templeton Maxims: '10 Principles for Investment Success', please call free, during office hours on 0800 27 27 28. Issued by Templeton Investment Management Ltd, Regulated by IMRO and the Personal Investment Authority and a member of the Templeton Marketing Group. Templeton logo.

GUIDE TO LONDON SHARE SERVICE

Price for the London Share Service delivered by FT Ltd, a member of the Financial Times Group. This service is based on data used for the FT-SE Actuaries Share Index. Details of the service and its terms are available on request. The service is available to subscribers on a non-exclusive basis. The service is available to subscribers on a non-exclusive basis. The service is available to subscribers on a non-exclusive basis.

LEISURE & HOTELS

Table listing leisure and hotel companies with columns for name, price, and other financial data.

OIL EXPLORATION & PRODUCTION

Table listing oil exploration and production companies with columns for name, price, and other financial data.

PROPERTY

Table listing property companies with columns for name, price, and other financial data.

SUPPORT SERVICES

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WATER

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AIM

Table listing companies on the Alternative Investment Market (AIM) with columns for name, price, and other financial data.

Vertical text on the left margin: MAY 6 1996, BANK, Emerging Markets, ARINGS, 5/96, and other market-related information.

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1 p.m. close May 3

NEW YORK STOCK EXCHANGE PRICES

Main table of stock prices with columns for stock name, price, and change. Includes sub-sections for Market Dynamics, Market Summary, and various stock categories.

Market Dynamics
If the business decisions are yours,
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NYSE PRICES

Table of NYSE stock prices with columns for stock name, price, change, and volume. Includes sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

NASDAQ NATIONAL MARKET

Table of NASDAQ National Market stock prices with columns for stock name, price, change, and volume. Includes sub-sections for 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

AMEX PRICES

Table of AMEX stock prices with columns for stock name, price, change, and volume.

Advertisement for Cyprus with the headline 'Have your FT hand delivered in Cyprus.' and text describing delivery services.

Continuation of stock price tables from the previous section, including 'Continued from previous page', 'A-Z', and 'X-Y-Z'.

FT GUIDE TO THE WEEK

MONDAY 6

Israel/Palestine talks reopen

Israel and the Palestinian Authority begin negotiating the final status of the West Bank and Gaza Strip.

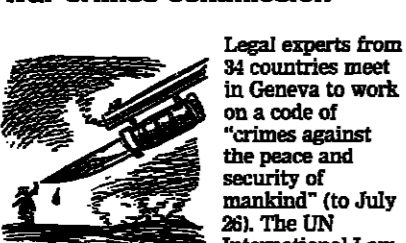
Mexico-US friction

Mexico and the US hold their annual bi-national talks, with more than 10 senior cabinet members from either side.

German unemployment

Figures for April are likely to show Germany's seasonally adjusted unemployment has risen further.

War crimes commission



Legal experts from 34 countries meet in Geneva to work on a code of "crimes against the peace and security of mankind" (to July 26).

Public holidays

Chile, Ireland, Japan, Lebanon, Montserrat, Syria, Thailand, UK.

TUESDAY 7

Battle to face Helms

America's North Carolina primary pits two prominent Democrats against each



Chechens from the town of Shall protest after Russian forces blockading the town gave residents until May 9 to expel separatist rebels

other for the dubious privilege of facing Jesse Helms, the arch conservative Republican chairman of the Senate foreign relations committee, in November.

Harvey Gantt, a black former mayor, is better known because he ran against Mr Helms in 1990.

British MPs reveal interests

A new and considerably larger register of British MPs' interests is published in the House of Commons. MPs will be obliged to register remuneration for outside activities that involve what are called "parliamentary services".

Tadic tried for torture

The UN international tribunal for war crimes in former Yugoslavia in The Hague begins its first trial. Dusan Tadic, a Bosnian Serb, is accused of the murder and torture of Bosnian Muslims in the Serb-run Omarska camp in north-western Bosnia.

Arrested in Germany in February 1994 when recognised by Bosnian refugees, Tadic was a cafe owner and karate instructor in the town of Prijedor.

EU reviews beef semen ban

The EU veterinary committee considers whether restrictions should be lifted on British beef exports of gelatine, tallow and semen (to May 8).

EU energy ministers meet

European Union energy ministers gather in Brussels to renew attempts to agree proposals to liberalise the EU electricity market.

WEDNESDAY 8

Votes counted in India

Ballot papers are counted in India following yesterday's third and final main phase of voting in 12 states.

Hormone-treated beef row

The dispute settlement body of the Geneva-based World Trade Organisation meets over a US request for an investigation into the EU's ban on hormone-treated beef.

filed its own WTO complaint against US trade sanctions imposed in the dispute, argues that the ban was to prevent a slump in demand - a view strengthened by the "mad cow" scare.

Football

European Cup Winners' Cup final, Brussels.

Equestrianism

Royal Windsor horse show, Berkshire, England (to May 26).

FT Survey

FT Exporter.

Public holidays

Czech Republic, France, French Guiana, French W Indies, Guyana, New Caledonia, Tahiti, Western Samoa.

THURSDAY 9

Scottish Tory conference

The Scottish Conservative party's annual conference opens in Aberdeen (to May 11) with support for the party standing at only 13 per cent in the Scottish opinion polls despite an energetic performance by Michael Forsyth.

Italian parliament convenes

Italy's 13th post-war legislature convenes in the wake of the centre-left Olive Tree alliance's election victory.

S Africa constitution

South African parliamentarians have a last chance to wrangle over their new constitution before it goes to the constitutional court for final approval.

EU trade mission in Japan

Hardly a week goes by without a foreign trade delegation arriving in Tokyo seeking to increase sales to Japan's fast-opening domestic economy.

Elections in Uganda

Presidential elections are staged in Uganda, the first since President Yoweri Museveni seized power at the head of a rebel army in 1986.

Cannes film festival

Cinemanzia begins its 12-day reign on the Cote d'Azur with the 49th Cannes film festival - an event which has grown so large that there is talk of reclaiming more land from the sea.

Golf

Peugeot Open, Spain (to May 12).

Gymnastics

Men's European championships, Copenhagen (to May 12).

FT Survey

Glasgow.

Public holidays

Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Turkmenistan, Ukraine.

FRIDAY 10

Atlantic initiative in Prague

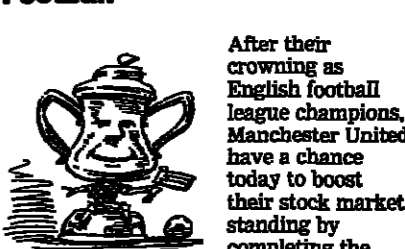
Political, business and cultural figures from the US and Europe gather in Prague for a "new Atlantic Initiative" conference aimed at renewing transatlantic security, economic, cultural and political ties.

Japan budget bills enacted

Japan's ¥75,100bn (€478bn) budget for the year to next March is enacted, an automatic consequence of its parliamentary adoption last month.

SATURDAY 11

Football



After their crowning as English football league champions, Manchester United have a chance today to boost their stock market standing by completing the league-F.A. Cup double for the second time in three years.

Rugby union

Middlesex sevens, Twickenham, near London.

Triathlon

UK championships, Milton Keynes.

Public holidays

Cameron.

SUNDAY 12

Athletics

IAAF grand prix meeting, Tokyo.

Compiled by Simon Strong. Fax: (+44) (0)171 873 3194.

ECONOMIC DIARY

Other economic news

Monday: Unemployment in Germany is thought to have risen a little in April, although the jobless rate is not expected to have changed as a percentage of the workforce.

Tuesday: Consumer credit in the US is predicted to have picked up a little last month, but not sufficiently to raise the year-on-year rate of increase.

Wednesday: The UK chancellor and the governor of the Bank of England meet to discuss interest rates, with no change expected.

Thursday: Swedish and French central bank boards meet. UK manufacturing production is thought to have risen a little more strongly in March than February.

Friday: Factory gate inflation is predicted to have slowed a little last month in the US, but to have picked up in the Netherlands.

Statistics to be released this week

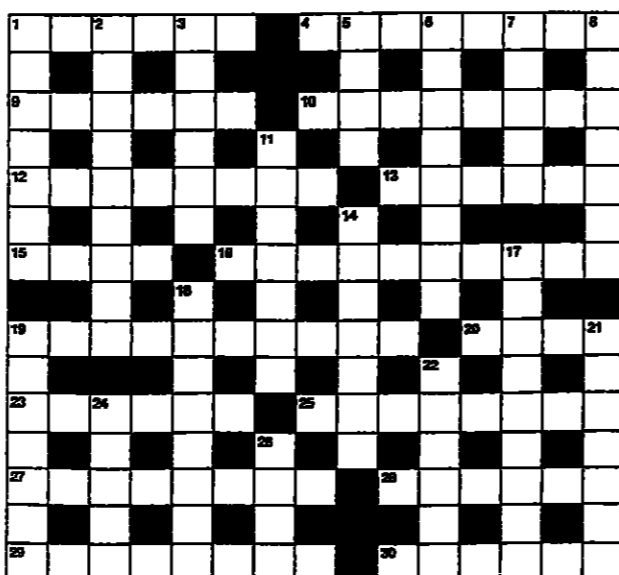
Table with columns: Day Released, Country, Economic Statistic, Median Forecast, Previous Actual. Lists various economic indicators for countries like Germany, US, Italy, UK, Japan, Denmark, Switzerland, Austria, France.

ACROSS

- 1 Vehicle it is illegal to leave in the street (6)
4 Sort of work in which people want to take part? (8)
9 A heavenly model (6)
10 Kitchen worker Colin's replaced around mid-July (8)
12 Pocket a ball at the end of a break. Crazy! (6)
13 Slowly executed movement gets a soldier in trouble (6)
15 Hold up in Paddington, say (4)
16 Hire candle out for light (10)
18 Game in which Tom goes nap (6)
20 Highly placed at work (4)
23 Fighting a lawsuit (6)
25 Wars need to be justified (6)
27 Hear a gun go off and speak to someone angrily (6)
28 Illicitly acquired bundle of pound notes (6)
29 A place where lots go (4-4)
30 Try to get aboard cutters (6)

DOWN

- 1 Pride in its arrival is no sin for the parents (4-3)
2 She makes man target (9)
3 I've found it in the Greek dictionary (6)
5 Stand torture (4)
6 Mother joins other females making complaints (8)
7 The object of having a night out? (5)
8 Sort of map to study on a journey (7)
11 Sign of fever, perhaps, and rash (3-4)
14 Defile and gien in the country (7)
17 Where Albania introduced prohibition, among other things (5-4)
18 Vessel often crossing the bar (6)
19 In a study group he doesn't share the views of others (7)
21 They're too keen on minor details and burst into tantrums (7)
22 A flicker of light? (6)
24 Two learners in the mountains? (5)
26 One may get belted taking part in this sport (4)

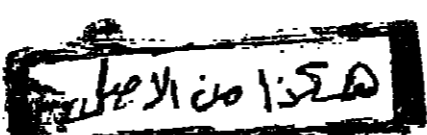


MONDAY PRIZE CROSSWORD

No.9,061 Set by DANTE
A prize of a Pelikan New Classic 380 fountain pen for the first correct solution opened and five runner-up prizes of £25 Pelikan vouchers will be awarded.

Winners 9,049
Solution 9,049
A.R. Wicks, London E14
Mrs P. Angel, Denton, Kent
N. Hough, Hartley Wintney, Hants
M. Laker, Coulsdon, Surrey
K. Oldham Smith, London E11
K. Riddell, Bickenhill, W. Midlands

Charles Tyrwhitt introductory offer 25% OFF ALL SHIRTS
You could easily pay twice as much or more in Jermyn Street for a shirt that would look - and feel - no better.
PLEASE SEND ME A FREE SET OF BRASS COLLAR STIFFENERS AND YOUR 32 PAGE BROCHURE...



BUSINESS EDUCATION

Britain's professionals are chasing higher qualifications, says Della Bradshaw

Rush to join the club

Clowning around

Donning a policeman's hat or a clown's mask does not seem like the best way to learn how to manage change within your organisation. But Jacqui Kasket, drama teacher and management development academic, believes that drama is a most effective catalyst. Kasket has introduced her "Theatre of Change" workshops in many commercial organisations and the course has now been adopted by Middlesex University in London as an optional part of its two-year MA in Personal and Organisational Development.

Those who responded to the latest British Institute of Management survey on the subject, conducted by Ashridge, overwhelmingly supported qualifications. More than three-quarters of the 700 managers who responded (3,000 of Bim's members received postal questionnaires) said they needed broader knowledge in order to take on more responsibilities and achieve promotion.

Perhaps not surprisingly, top of the wish list of desirable qualifications was the master of business administration degree (MBA). However, such qualifications are just the tip of the iceberg of postgraduate qualifications. For example, at any one time there



are more than 300,000 people studying for a UK accountancy qualification - compared with just 200,000 18-year-olds who start at British universities every year. And thousands of managers across the professions are studying shorter courses - anything from a few hours to a couple of weeks in length.

training and conference organisations to individual consultants. Recent years have also seen an increase in demand in professions such as accountancy and financial services for industry-specific qualifications. The demand has been partly driven by legislation, but says Gary Mond, a London-based freelance financial trainer: "Legislation plays only a small part". The need for up-to-date information, he

believes, provides a stronger impetus. The age old reason of "earning more money" is still a powerful motivation, believes Louise Wassell, marketing manager for Financial Training, the specialist training company. But the need for a "badge" which individuals can advertise when they apply for new jobs also persists.

"Professional examinations have about a 50 per cent pass rate and are externally marked. That's a real qualification; that's what people want to have," says Price. He recalls the expression of Groucho Marx, who said he would never belong to a club that would accept him as a member. Britain's trainees in accountancy and financial services, Price jokes, often take a similar elitist view.

In the City sector a similar story emerges. It's the "age of the examination and the qualification" according to David Dobson, secretary-general at the Institute of Investment Management and Research. The institute has seen a growth for both its Investment Management Certificate - a compulsory benchmark exam for those wanting to join the industry - and its higher level voluntary examinations.

The Securities Institute, which administers the Stock Exchange entrance exams, is devising a continuing professional development programme for its members. Its latest survey shows that 42 per of responding members wanted to work towards mandatory, not voluntary, qualifications.

NEWS FROM CAMPUS

A roaring course planned in Africa

If a safari park holds more appeal for you than a university lecture room, and doing business in southern Africa is on your company agenda, then you may be one of the target audience for a proposed course from Templeton College, Oxford, and Ernst & Young.

The Oxford southern African business leadership programme will be held in June in the Magaliesburg hills, a 90-minute drive from Johannesburg. The residential two-week programme will look at business processes, strategy and the business environment.

Alumni go Dutch on the World Wide Web

Keeping in touch with your old chums via the Internet is possible for the alumni of the Rotterdam School of Management at Erasmus University. The school has made the alumni database available over the web so that past students who have E-mail can be contacted. Those with the appropriate password can download the

database, which contains the names and addresses of past students. Erasmus: Netherlands, 10 408 1638

How to put the fizz into east Asia

Eighteen graduate management students from the Thunderbird school in Glendale, Arizona, have helped soft drinks conglomerate Coca-Cola to formulate a marketing plan for selling its fizzy drinks in Vietnam and Malaysia.

The two teams of nine students won the jobs after competing with the other students at Thunderbird. The marketing plans, including market research and analysis, and a proposed advertising campaign were presented to marketing industry analysts last Friday. Thunderbird: US, 602 978 7761

Manchester Business School is inviting companies to take part in its internship scheme, which involves hiring one of the school's MBA students on a consultancy basis for between 10 weeks and 12 weeks over the summer, at a cost of £400 to £600 a week. MBS: UK, (0)161 275 6333

International Seminar on the Management of Innovation, Research & Development. R&D Management and Innovative Performance. An international seminar to be held at De Vlerick School for Management, University of Ghent, Belgium.

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CONFERENCES & EXHIBITIONS. MAY 14 International Tax Conference - Minimizing Your Global Tax Burden. MAY 15 Russia - The Prospect for Reform. MAY 16 Winning Ways Business Process Management. MAY 20 & 21 Introduction to Futures & Options FUTURES - History & Exchanges.

THE NEW BUSINESS EDUCATION SECTION. The Financial Times has created a new initiative designed to give our advertisers the best medium for promoting their business educational courses. Every Monday we will be publishing editorial dedicated solely to Business Education.

SPORT / ARCHITECTURE

Mental training for the modern athlete

There is an upsurge in sales of books on sports psychology - and no wonder, says Keith Wheatley

Since the psyches of several prominent sportsmen have been severely bruised in recent times, it has been intriguing to notice a sudden clutch of books devoted to sports psychology.

Greg Norman's abrupt descent from hero to zero at last month's US Masters golf tournament, and the sensitivity of Kevin Keegan, Newcastle United's manager, to mind-games in the final stages of England's Premier League football race, must have given pause to all who tend to be sceptical when contemplating the psychological side of modern professional sport.

Interestingly, SportsPages, the London bookshop devoted entirely to sporting volumes, reports an upsurge in mind-over-matter titles.

"There is considerable growth in this sector, and what has changed most of all is that British publishers are getting into it," reports owner John Gaustad. "Most of what we used to stock in this area tended to be imported from the US or, to a lesser extent, Australia."

Growing up in Queensland, the young Greg Norman perhaps never thought to look for golf guidance in a psychology book. Yet his defeat at Augusta, when he let Britain's Nick Faldo overhaul his seemingly impregnable six-shot lead to win the tournament, was entirely due to a mental collapse - or so it is believed.

The 63 (equalling the course record) shot by the Great White Shark on the first day was entirely consistent with Norman's status as world No 1. Whatever went wrong in the intervening 48 hours happened between Norman's ears, not his shoulders.

"Golf is uniquely difficult in psycholog-

ical terms, and does lend itself to these kinds of dramas," says Dr Stephen Bull, author of *The Mental Game Plan: Getting Psyched for Sport*. "There is so much time to think in a round of golf and, because of that, endless opportunity for self-doubt and anxiety to creep in. I knew as soon as I watched Norman miss the fairway off the first tee (on his final round) that he would begin replaying in his mind the previous four occasions when he'd been in a position to win the Masters and blown it."

In fact, one of Bull's graduate students in the sports science department at Brighton university is undertaking a detailed comparison of video tapes of Norman's first and final rounds at Augusta, specifically timing what coaches term the "pre-shot routines" in each case.

Either rushing or prolonging the pre-shot sequence indicates profound stress in an experienced player. At the 13th tee on the final round, Norman's indecision seemed unbearable. "He's changed his routine by six or seven seconds," commented David Leadbetter, Faldo's coach, on television. "He's gripping the club and re-gripping it. He can't get comfortable."

One of Bull's favourite pieces of research in sports psychology was carried out at a Canadian university in the mid-1980s. It involved 20 free shots per person at a basketball hoop by two groups of students, chosen for being of equal physical prowess. Skilled basketball players were excluded.

"The first group were just told to get on court and throw, and their results recorded," says Bull, a former chief psychologist to the British winter Olympics squad. "The second group were taken

aside and given a short talk on the phenomenon of choking, the phrase we use when a sportsman cannot perform his normal skills because of stress.

"It was a much less familiar term at that time, and the students were riveted by the presentation. Before they went back to the basketball court they were specifically warned not to worry about choking. Their scores were markedly lower than those of the unprepared first group."

Bull's new book is nothing if not a practical guide: a handbook for mental fitness on pitch or court full of chapter headings like *Visualisation: The Imagery Plan*, and *Anxiety Control: The Arousal Management Plan*. Bull also admits there is nothing very new in all this, revealing that one of the most ancient Japanese books was a Samurai training manual, half of which was devoted to the mental preparation of those athlete-warriors.

The upper echelons of British professional football certainly take their game as seriously as any battle. They see it as "the very image of war and double the cost", to paraphrase Mr Dorlocks, the fictional Victorian huntsman.

Might Kevin Keegan, Newcastle United's manager, have benefited from a sports psychology textbook as he erupted in anger last week against the plots and perfidies of Manchester United and their manager, the vastly experienced Alex Ferguson, who knows, more than anyone else in the English game, how to jangle rivals' nerves?

"As an outsider, I've no means of knowing whether Keegan's outburst was a genuine loss of control or pre-mediated," says Bull. "It could have been aimed at his



Mind-games: sceptics of sport psychology might think again after recent exchanges between Alex Ferguson (left) and Kevin Keegan

players in the manner of the pre-Agincourt speech, or Imran Khan's famous cornered tiger delivery to the Pakistan cricket team. What is clear is that Alex Ferguson is a very skilled psychological operator. His handling of a personality like Eric Cantona (Manchester United's famed Frenchman) is an object lesson in the subject, even for professionals."

I found Bull's book convincing but vaguely depressing - especially his urging that student sportsmen as young as 13 should be taught visualisation and "competition-specific self-affirmation" along with leg spin or the torpedo pass.

Then I picked up *The Winning Mind* by Steve Backley, a naturally gifted British javelin thrower, who won gold medals and the world record as a teenager between 1987 and 1990, largely on natural talent. Then his world fell apart, in a melange of poor performance, injury and demotivation.

"The Steve Backley of 1990, the young man who was going to sweep up every gold medal going, seemed a distant memory," he wrote after a dismal performance in the Stuttgart world championships in 1993. "I told myself that because my preparations had been so poor and my mental

state had been appalling, I had been unprofessional. I was on a roller coaster of emotion, running myself down physically, partly as a result of my mental state."

Three years on, Backley is rehabilitated as an athlete, a likely medal winner in Atlanta. There were no gurus, just the steady application of the techniques he acquired while taking a sports psychology degree at Loughborough university. Makes you think what he might have done with a spot of adolescent visualisation.

The Mental Game Plan, Sports Dynamics, £10.95. *The Winning Mind*, Aurum Press, £13.95.

Is nothing safe? For 30 years the World Monuments Fund has been keeping an eye on sites and monuments around the globe and helping with their preservation. But all is not well. The world's buildings need constant attention, and many more of them are in danger than perhaps we like to think.

Monumental moves to save our heritage

A fund has been established for the conservation of the world's most endangered buildings, writes Colin Amery

Hagia Sophia in Turkey were in sufficient peril from pollution to be on the list of the world's most endangered buildings?

The object of compiling the list and exposing it to the world is to spur action and to attract more money. More than 250 sites and buildings in 69 countries were considered by an international jury. If all 100 monuments listed in the first batch were to be restored perfectly, at least \$200bn would be needed. What are the major threats to the buildings? Conflict and wars are the most regular and constant threats. The Balkan states, Vietnam, Lebanon, Cambodia and Georgia have all been badly scarred by war. Neglect and development are equally threatening. Industrial pollution and over-building in our cities have resulted in considerable damage. And build-

ing on, or too close to, archaeological sites is a constant threat.

Burnt in Albania is one of the 100 listed. It is a remarkable site that remains untouched by mass tourism or development. Although monuments do survive, they often suffer in the growing modern city and lose all sense of context. More dramatically, fire, earthquake and hurricane are often responsible for ending

the lives of monuments.

The 100 buildings were chosen partly because they reflect the scale of the threat and as demonstrations of the value of immediate restoration and remedial action. It may be surprising to learn that even in a country like Austria the famous fountains of the Belvedere gardens in Vienna are in urgent need of repair. And at Cesky Krumlov in the Czech Republic, air pollution has badly damaged the sculptures.

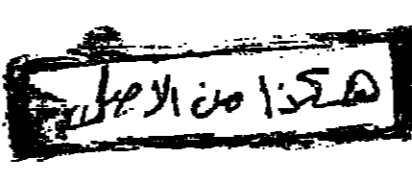
In addition, the seven-storey manor house at Drachi in Tibet has almost been forgotten. Overall, politics has greatly hindered the conservation of Tibet's heritage, while three decades of war and turmoil in Cambodia have almost led to the loss of parts of the Angkor archaeological district. In Europe, the great church (now mosque) of Hagia Sophia in Istanbul is in need of repair. The dome's copper roof is cracked and roof leaks are affecting the interior and the stability of the timbers. Even the circular temple of Hercules in the Forum of Rome is suffering from eroded foundations and its marble is splintering.

Advertisement for 'The money isn't in the vaults, it's in the database.' featuring a large graphic of a vault door and text describing financial services and a database. Includes contact information for Finance Information Technology 96.

Advertisement titled 'THE WEEK AHEAD' containing a detailed list of dividend and interest payments for various companies and funds, categorized by day (Today, Tomorrow, Wednesday, Thursday, Friday, Saturday).

Advertisement for 'FINANCE' featuring a list of speakers and suppliers, and information about a Microsoft event. Includes contact details for the Finance IT exhibition.

Advertisement titled 'UK COMPANIES' listing various company meetings and events across different regions like Birmingham, London, and Manchester.



Free Net links, free market access

Britain's schools are benefiting from competition between Internet providers and politicians are seeking to take advantage, says John Authers



Labour and business are to examine how the party could provide a laptop for every school pupil

Britain's schools are suddenly in the middle of a price war between Internet providers. In the past three months, three companies have offered free Internet connections with an array of free software to back it up, while others have launched aggressive discounts.

The schools are benefiting from the anxiety of some of the world's best-resourced companies to establish a hold in what seems certain to be a lucrative market. Britain, in particular, appeals to them because UK schools are far more advanced in their use of information technology than counterparts in continental Europe.

The first two dedicated Internet services for schools in the UK are less than a year old, but have already established themselves. Campusworld, run by British Telecommunications, has 3,500 subscriptions, while Research Machines' Internet for Learning service has more than 2,000, suggesting that the two between them have linked about a fifth of the UK's 25,000 schools to the Internet. This probably includes more than half of the 4,000 secondary schools.

If companies can buy a place in this expanding market and establish a successful track record in the UK, they should be well placed to become dominant suppliers elsewhere at the end of the decade.

According to John Nutbourne, schools project manager at Sun Microsystems, which is giving away equipment worth more than £1m to schools: "IT in UK schools is years ahead of where it is elsewhere. If we are successful here we can become the predominant supplier in a country which wants to catch up."

Politicians have noticed the trend and are seeking to take advantage. Last week, Tony Blair, leader of the Labour party, said that Labour was setting up a panel of businessmen to examine how the party could implement its pledge to provide a laptop computer for every school pupil. This followed Labour's announcement that it was seeking a deal with British Telecommunications to provide a fibre-optic cable link to every British school.

computers to schools, libraries and other public places. A minister said: "We think that manufacturers ought to be prepared to give us the kit, because it is free advertising for them and could lead to significant home sales."

Despite the obvious attractions of the idea, the private sector is reluctant to do the state's work. The companies involved all have different

motives and are not prepared to undertake the deeper investment in infrastructure necessary if an education superhighway is to get going.

Last February, America Online, the world's largest Internet provider, offered free Internet connections to all UK secondary schools. AOL stated candidly that the group's aim was to use schools as a route to the domestic market. The

idea was that children would use the Internet at school and then demand a connection from the supplier at home. The company will not reveal how many schools have taken up the offer, but says interest has been "substantial".

AOL was quickly followed by Microsoft, the software supplier, which made a more generous offer of free Internet connections to all primary and

secondary schools in the UK. Software, including the Windows 95 operating system, is included in the package. And schools would be able to design their own Web pages.

According to Edna McKelvie, Microsoft's education manager in the UK, the total cost of the promotion, which involves mail-shots and videos, is at least £500,000, while the company has budgeted to spend up to £2.5m if necessary. The offer is due to be expanded to include further education colleges. However, Microsoft's motives are different from AOL's - Microsoft hopes to become a dominant supplier of online technology to schools.

A weakness of both offers, which the companies accept, is that they are only offering a single modem connection for free. This has uses in offering teachers access to the Internet's store of information, but can have little impact as a teaching tool. If a class of 20 or 30 pupils is to work online, a larger network, using a broader bandwidth, is necessary.

However, the latest offer, made by Sun Microsystems with heavy support from the Daily Telegraph newspaper, is more ambitious. It is limited to 1,000 schools, but includes an ISDN telephone connection, free connections for a year and internal networking equipment for schools. It represents an attempt to start building the wider telecommunications network which Internet suppliers seem to agree will be needed.

Sun's aims are again different. It hopes the exercise will convert schools to the use of "intranet" systems so that they can build their own networks, and accustom pupils to the e-mail culture they are likely to encounter at work.

These new intranets would link secondary schools more closely to their feeder primaries, and to parents, and could also be used to store all the most valuable information retrieved from the Internet.

But one problem must be solved before these networks can become a reality. Teachers must be trained. And the private sector still seems certain that this is the government's responsibility. According to one of the leading players: "The fundamental issue is that teachers need IT training. The government cannot expect the private sector to fund everything. As much as the industry can do, fundamentally the funding for schools is owned by the government."

Tim Jackson Not a very chilling techno-thriller



He looked up from the monitor where he was playing back the text of his conversation with Paul. He had on his face exactly the expression she had hoped to see there: something between astonishment and pure delight. "Well?" she said briskly. "What d'you make of him?"

"I'd certainly give him an open scholarship, and I'd expect him to get a good first." Paul is not a person, but a computer program. He appears in *Mother of God*, a thriller by David Ambrose just out in Pan paperback. It is the latest of many high-tech novels to play on fear of the Internet and technology.

It is easy to pour scorn on thrillers, and particularly techno-thrillers. But the genre is harder to master than it looks. This book passed the most important test: I read it quickly, even if not in a single sitting. And it wasn't badly written, either. Ambrose is a screenwriter by trade, and his experience shows itself in convincing dialogue and in short descriptive paragraphs that set scenes without impeding the action. If the writing flags and the characters seem more wooden as the story progresses, that is only understandable. Books of this kind are often sold on an outline and a first chapter, so writers tend to put their finest art into the opening.

backer from the computerised cage of its "mother", a researcher at Oxford. It becomes a cunning, malevolent force that finds a serial killer, discovers his weakness, and sets him to work under threat of exposure to the LA police. The program gives the killer an illicit freephone number, and issues its orders by means of voice synthesis over the phone. It crashes an airliner by messing up air-traffic control; it cuts off electrical power to a deserted country cottage; it frames an opponent with bogus evidence of Swiss bank deposits; finally, in the control room of a nuclear power station, it - well, I won't spoil it for you.

This is all good, spine-tingling stuff, but it left me unconvinced. Computers are getting good at activities that can be formalised into rules, such as driving a car or playing chess. But they are decades, if not generations, away from understanding natural language. The report on last week's Media Futures page on software that translates from Japanese to English made this point compellingly: a two-sentence financial news report proved far beyond its powers.

This is because understanding what spoken or written words mean, as opposed to merely looking them up in a dictionary, is immeasurably more difficult than playing chess. The idea of a program that could "learn" about the world like a child may not be self-contradictory. But long before computer programs start tracking down serial killers and hiring them to do their dirty work, they will be able to do plenty of more mundane and commercially useful things.

What of the second issue - the databases? In theory, it is certainly possible for a serial killer to hack into dozens of computers, and to find out intimate details about people, ranging from their personnel records at work to the licence plates of their cars. But two

things struck me as incongruous about this fear. One is that people who possess the extremely rare talents needed to get in and out of dozens of databases undetected will hardly need to get their kicks from murder. They will have made so much money legally that they spend their days sitting peacefully by a pool, drinking pina colodas.

The other incongruity is that much of the information discovered by Ambrose's villain need not be stolen. It is already publicly available; at a modest price, to any private detective or law firm that chooses to ask for it. During a recent trip to Oregon, I visited a small company that has bought dozens of public databases and resells their contents at so much per query to anyone with a PC and a credit card number. Combined, these sources allow you to build up a profile of most Americans in a matter of minutes.

There is always a risk that weirdos will catch on to the possibilities of such services. But there are simpler and cheaper ways to invade an unguarded single person into a meeting, and most of the world's killers will stick to those for some time to come. The primary use of these databases, on the contrary, will continue to be banal and commercial.

What we buy, whom we call, where we go, what we eat: all this information and more is available for a price. But should we be worried by this? Until the present generation, most people lived in communities where their neighbours knew a lot about them. Technology was one of the factors that "depersonalised" society, and allowed individuals to exist in big cities unknown to their fellows. Now technology is reversing the trend and their neighbours, if they want to, can find out something about us. I find it hard to get worked up about that.

tim.jackson@pobox.com

Cyber sightings

- After all the hype of the past few months, New Century Network - the collaborative venture involving most major US news organisations - gives a taste of what is to come at its preview site (www.newcentury.net). As you would expect, it is good, straightforward stuff, well laid out and searchable. Very entertaining.
- The University of Michigan's Institute of Labor and Industrial Relations site (www.umich.edu/~ilr) has one of the most comprehensive listings I have seen of Net resources for economists and entrepreneurs. Bill Goffa has done a fine job.
- "Have you ever been disappointed in a computer product you've purchased?" Since that applies to just about everyone, the Moan and Groan Page (www2.tearroads.com/Moan) should be gearing up for plenty of hits.
- The World Agriculture Information Centre (www.fao.org/WAICENT/waicent.htm) has a useful database of information and articles covering the livestock, fisheries and nutrition sectors.
- Integra (www.integracap.com) is one of Canada's leading pension and private investment management firms. Its site has fund details, investment planning information and market analysis.
- More useful than just plain figures is New Stock Daily (www.dma.net.dom) which looks at three companies each day that are going public and asks the questions small investors need answered.
- The New York Society of Security Analysts (www.nyssa.org) has news and gossip for investment professionals, corporate managers and anyone interested in financial goings-on. They also run an online "class" - CFA Level II equity securities - and have plenty of useful links.
- The Spanish Government Directory (www.spainonline.com/job.html) is a listing of the country's ministries and government departments with contact names and numbers. In turn, Pagnas Amarillas (www.pagnas-amarillas.es) is a Spanish-language, searchable yellow pages covering 1.5m businesses in Spain.
- Coming across a site that greets you with the words "Hi. My name is Dale and I'm a homebrewer!" (www.homebrewer.net) is like seeing a welcoming glow in the window of your tavern on a snowy evening. Even though I was only visitor No 51, I knew Dale and I would get along just fine.
- In a similar vein, the Search for the Perfect Pint (www.angelfire.com/free/jurburke&html) is a comprehensive guide to beers, ales, lagers and even bocks, which, of course, means "male goat". As the old Czech proverb says: "A fine beer may be judged with one sip, but it is better to be thoroughly sure."

steve.mcgoekin@t.com

Verbundnetz Gas AG

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We are an east German gas merchant company: our day-to-day business shows us what it takes to put the east German economy on the move towards recovery: energy. For us, energy isn't just natural gas - even though natural gas is the most popular form of energy with consumers, utilities and businesses. For us, it is also the initiative, flexibility and commitment needed to put our economy back on its feet. Together with our partners in energy - regional distributors, local government and industry - we have already moved a long way within a short space of time. We are able to supply natural gas via an area-wide network to all parts of east Germany - a major achievement which has received international recognition. Now we are focusing on the finer details: greater flexibility in gas purchasing and the ability to meet growing demand for gas. That makes us the right partner for energy.

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BUSINESS TRAVEL

Travel News • Roger Bray

Passengers take off

If you've been finding it more difficult to get the flight you want in recent weeks, the monthly results from the Association of European Airlines may explain it.

seen before outside the peak leisure travel months of June-September.

Warning on Ecuador

Violent crime has increased in Ecuador, warns the UK Foreign Office. Visitors should avoid travelling by road at night and pickpockets are a hazard, especially in the steep cobbled streets of Quito's colonial heart.

In addition, travellers with time to spare should not be tempted to take in the view from Cerro Panecillo to the west of the city. The excellent South American Handbook,

without which no-one should venture to the region, has been advising for some time against walking up to the observation platform there, noting that assaults are common.

Jamaica curbs eased

Relaxation of safety restrictions by the US Federal Aviation Administration has allowed Air Jamaica to schedule its new Airbus A320 aircraft on routes to the US and London. The airline was forced to delay their introduction because Jamaica's civil aviation department failed to satisfy the FAA that it was meeting international standards. Now

that the FAA is happy, flights from London start on May 11.

Crillon cuts a deal

The high price of the French franc has prompted a cut-price offer at the Paris Hotel de Crillon. Business travellers needing to spend two nights there this month - and able to take their partners - will pay FF2,900 (£374) per person including breakfast and a bottle of bubbly. That is a saving of FF400 on the normal corporate rate.

BA's smoke signals

BA passengers to North America should check whether smoking is allowed, as BA has

just imposed a smoking ban on some flights to 31 US gateways and to seven in the Caribbean. But smokers will still be indulged on some 30 transatlantic services to cities where the airline flies more than once a day.

And smoking will still be permitted on Concorde flights to New York and Barbados. However, more services look likely to become smoke-free - BA is testing customer reaction to a ban on the London-Madras-Singapore run and on flights to South Africa and the Middle East.

Surf's up at Heathrow

Travellers using London Heathrow are now able to surf

the Internet at the business centre between Terminals 1 and 2.

Developed by travel group Thomas Cook, which operates the centre, the new Net facility offers use of specially designed workstations with access to the World Wide Web, as well as a library of CD-Roms.

It costs £60 a year to be a member of the centre (there are also corporate rates), although non-members can pay a surfing fee.

The centre provides laptop computers and printers, offers video conferencing, and has 15 meeting rooms with E-mail connections and audio-visual equipment on request.

Likely weather in the leading business centres

Table with columns for city (Tokyo, Hong Kong, London, Frankfurt, New York, L. Angeles, Milan, Paris, Zurich) and days (Mon, Tue, Wed, Thu, Fri) with weather icons and temperature ranges.

BEIRUT DAMASCUS 0345 320100 with British Airways logo.

Air travel in Latin America is still risky despite improvements, says Stephen Fidler

Flying in Latin America and the Caribbean has long been riskier than in most of the rest of the world. Now, as air traffic grows, the safety gap is widening.

The safety gap

Latin America: the death toll

- January 11 1985, Intercontinental de Aviacion DC-9-15 flying from Bogota to Cartagena crashed minutes before landing, 51 dead, one injured.
April 28 1985, Guatemalan Airlines DC-8 cargo aircraft overtook runway by 100 yards and crashed into house in Guatemala City, at least eight dead.
August 10 1985, El Salvador: Aerolineas de Guatemala Boeing 737-200 on route Miami to San Jose, Costa Rica crashed in bad weather about 38 miles from San Salvador, 65 dead.
December 20 1985, Colombia: American Airlines Boeing 757-200, flying from Miami to Cali, crashed into mountain about 35 miles north-east of Cali, 183 dead.
February 4 1996, Paraguay: Linesas Aereas del Caribe DC-8 cargo aircraft, built 1985, en route to Brazil crashed immediately after take-off from Asuncion, at least 22 dead, five missing.
February 7 1996, Dominican Republic: Alas Nacionales Boeing 757 en route to Frankfurt, crashed minutes after take-off 12 miles north-east of Puerto Plata airport; 169 killed.
February 29 1996, Peru: Faucett Airlines Boeing 737-200 en route from Lima crashed five minutes before landing at Arequipa, 123 dead.

Source: FT World Insurance Report; news agencies.

Between 1977 and 1989, air travellers in Latin America were over six times more likely to be involved in a fatal crash than those in the US. Worst of all was Africa, with 13.25 crashes per 1m takeoffs, compared with 6.04 per 1m in Latin America, 5.47 in the Middle East, 4.66 in Asia, 4.11 in eastern Europe, 1.34 in Australia and New Zealand, 1.15 in western Europe; and only 0.88 in north America.

Last year, according to the magazine Flight International, there were 13 fatal air accidents in Latin America and the Caribbean, more than in any other region. There were 12 in the US, which is responsible for about half of the world's air traffic, nine in Africa and eight in the Commonwealth of Independent States.

Earl Weener, the Boeing's chief of systems, remarked recently: "The disparity in safety standards between the world's safest regions and those consistently less safe is not only large, but increasing."

According to a study of air safety and security in the southern part of south America, prepared by Andrés Ricoover, an Argentine transport consultant: "The majority of the airports in the region

are close to operational saturation... There are innumerable deficiencies in the airport infrastructure of the different countries, which in some cases constitute serious threats to air traffic safety."

Responding to some of these concerns in September 1994, the US Federal Aviation Administration started to make public assessments of other countries' civil aviation authorities, which it had begun privately four years earlier.

In Latin America and the Caribbean, eight countries are at present assessed by the FAA as having an unsatisfactory system of aviation supervision - so-called category 3 - which means airlines based in these countries may not fly to the

US. A second group of nine airlines can exist in countries defined as bad neighbourhoods by the FAA, something which may sometimes not be well understood by consumers.

The 1994 announcement of the ratings created a storm in Latin America. Governments argued that the ratings were heavily influenced by politics: Russia and China do not appear on the FAA's list and Israel and Jordan, initially rated in category 2, were rapidly upgraded to satisfactory.

However, says Mr Robert Papkin, a Washington-based lawyer with Squires, Sanders and Dempsey, who acts in the US for some Latin American airlines: "Jordan and Israel responded very quickly to the

This emphasises that good airlines can exist in countries defined as bad neighbourhoods by the FAA, something which may sometimes not be well understood by consumers.

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Early morning, 8.30 and over the Irish Sea. The turboprop Fokker F27 of Jersey European Airways is bobbing and weaving. The seats are close together. Anyone over 6ft tall has his knees wrapped around his neck.

"Good morning, ladies and gentlemen," says the captain breezily. "We will shortly be passing over Barrow in Furness en route to Leeds/Bradford airport."

Breakfast is served: a bread roll, a carton of milk and a packet of cornflakes.

There is no cereal spoon. Each individual flake, with milk, has to be balanced delicately on a teaspoon.

Month open, spoon ready for entry - and bang! The aircraft hits an air pocket.

In the US, city-to-city air travel is relatively straightforward. Turn up at the airport, buy a pass, board the plane. No frills. Efficient. Cheap.

In Britain and throughout most of the rest of Europe, however, inter-city air travel is still locked in another age: cumbersome and often expensive enough to warp even the strongest credit card.

I was flying from Londonderry via Belfast to Leeds. An obscure route, true, but it is popular. The flight from Belfast onwards was nearly full. The cost of the return trip was £231, about the same as flying to New York and back from London. On top of this were taxi fares to and from the airports amounting to nearly £50.

No frills please Kieran Cooke finds a short trip can be an expensive experience

left at 7.25 am. First there was a 15-minute hop in a British Aerospace 146 jet to Belfast city airport. Then a half-hour wait and a transfer to the turboprop aircraft bound for Leeds/Bradford airport.

Londonderry has a new airport terminal and an increasing range of flights. However, it is still struggling to find a place on the aviation map. Some travel agents on the British mainland even deny the airport's existence.

Local politicians have not helped matters: nationalists did not want the airport to be called Londonderry and Unionists objected to calling it Derry. The compromise name is City of Derry airport.

Many travel agents' computers fail to find it at all. The agent in Londonderry was helpful but unable to secure any reasonable fare. Various options were examined. There is a direct daily Londonderry/Manchester

flight on British Airways. Fares on that service range from about £90 to more than £200 return.

But there is a problem with the train connection to Leeds. Or how about a flight to London and then take the train?

There are reduced fares for those travelling over a weekend - other fares for travelling on certain days of the week, and a different scale of fares for various times of the day.

It all seemed ridiculously complicated. If you are over 80 and have both grandparents travelling with you, it might be possible to fly at a less outrageous cost. But business folk are penalised.

Jersey European says the reason my fare on the Leeds route was so high was probably due to the fact that seats selling for lower fares had been sold out.

Only a certain number of seats have the same fare. "As with any airline, this practice is common and enables the airline to market a range of fares suited to the individual, offering varying degrees of flexibility," the airline told me.

Do individuals want to be confronted by such a complex fare structure? Would it not be better to give flexibility the heave-ho and instead have only one fare, applicable to all seats on all flights, priced as low as possible? After an hour at the travel agency, I gave up. Hence the £231 seat over the Irish Sea, the milk and the cornflake. Maybe I should send Jersey European my dry-cleaning bill.

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ARTS

OPENINGS

MUNICH

The centrepiece of this year's Munich Biennale is "Marco Polo", a new opera by Chinese-American composer Tan Dun...

BARCELONA

Futurism - one of the most daring and polemical movements of the early 20th century explored the impact on art of movement, energy, mechanical rhythms and manufactured materials...

AMSTERDAM

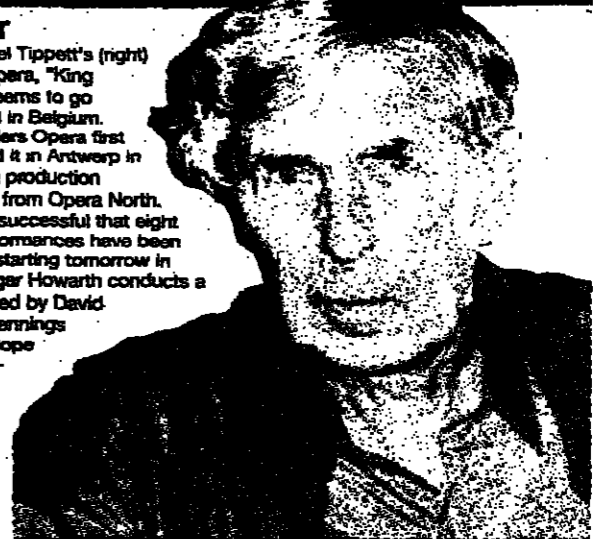
Over the next four years, the Van Gogh Museum plans to exhibit its entire collection of Vincent van Gogh's drawings. The first instalment, opening on Friday, covers the years 1880-1883...

LONDON

The Victoria and Albert Museum is marking the centenary of the death of the influential British designer William Morris...

GHENT

Sir Michael Tippett's (right) second opera, "King Priam", seems to go down well in Belgium. The Flanders Opera first performed it in Antwerp in 1992...



Music in London
Birtwistle's 'Pulse Shadows'

Last week during the South Bank's Harrison Birtwistle "retrospective", we heard the most substantial of the composer's latest works. Pulse Shadows, subtitled "Meditations on Paul Celan", is a cycle - or a "cycle of cycles"...

David Murray

Anastasia reborn

Clement Crisp hails a revival of MacMillan's masterpiece

Anastasia was a ballet close to Kenneth MacMillan's heart - and to his psyche. The 1971 ballet, his second full-length ballet, His Romeo of 1965 was a conventional three-acter, its narrative sustained by Prokofiev's realisation of Shakespeare. With Anastasia, MacMillan turned away from convention...



Viviana Durante: touching and fragile as Anna/Anastasia

True then, these words remain so now, with the restoration of Anastasia to the Royal Ballet repertory after 18 years. MacMillan had long contemplated bringing the piece back, but with the editing which he knew was needed - slight cuts in the Tchaikovsky scores...

Conductor to watch

Daniel Harding is 21 this year and tipped as the brightest young British conductor. A protégé of Simon Rattle, Harding made his professional debut two years ago conducting the City of Birmingham Symphony Orchestra in Bartók's Miraculous Mandarin Suite...

Adrian Jack

INTERNATIONAL ARTS GUIDE

AMSTERDAM

CONCERT Concertgebouw Tel: 31-20-5730573 ... Rindu Lupa: the pianist performs works by Beethoven and Schubert...

ANTWERP

CONCERT De Singel Tel: 32-3-2483800 ... Sinfonie-Orkest van de Munt; with conductor Antonio Pappano...

BERLIN

CONCERT Philharmonie & Kammermusiksaal Tel: 49-30-2614383 ... Wiener Philharmoniker; with conductor Riccardo Muti...

Raymonds: a choreography by Nureyev after Petipa to music by Glazunov, performed by the Ballett unter den Linden; 7pm; May 10

EXHIBITION Berlinische Galerie - Martin-Gropius-Bau Tel: 49-30-254880 ... 100 Zeichnungen - Ausgewählt aus der Graphischen Sammlung der Berlinischen Galerie...

EXHIBITION Neues Nationalgalerie Tel: 49-30-2862682 ... Aetas Mutations: exhibition of works by the Italian artists Gilberto Zorio, Vittorio Messina, Luigi Stolte...

THEATRE Deutsches Theater und Kammerspiele Tel: 49-30-2824238 ... King Richard II; by Shakespeare (in German). Directed by Thomas Langhoff...

EXHIBITION Busch-Reisinger Museum Tel: 1-617-495-9400 ... Lyonel Feininger in Germany. 1887-1937: The American artist Lyonel Feininger lived most of his life in Germany...

drawn from the museum's collection, traces the evolution of Feininger's themes and style. The display includes cartoons, sketches, drawings, paintings, prints, photographs, letters, and ephemera; to May 12

CAPE TOWN

CONCERT City Hall Tel: 27-21-4617084 ... The Cape Town Symphony Orchestra; with conductor David Tidbold...

FLORENCE

OPERA Teatro Comunale Tel: 39-55-211158 ... Elektra; by R. Strauss. Conducted by Claudio Abbado and performed by the Berliner Philharmoniker...

GENEVA

CONCERT Victoria Hall Tel: 41-22-3283573 ... Itzhak Perlman and Bruno Canino; the violinist and pianist perform sonatas by Mozart, Fauré and Franck...

HELSINKI

DANCE Opera House Tel: 358-0-403021 ... Helene Helander; choreography by R. Strauss. Conducted by Claudio Abbado...

Helsinki Ballet: perform the choreographies Etudes by Lander, Forgotten Land by Kylian and The Second Detail by Forsythe; 7pm; May 8

INDIANAPOLIS

CONCERT Warren Performing Arts Center Tel: 1-317-898-8081 ... Indianapolis Symphony Orchestra; with conductor Raymond Leppard...

LONDON

DANCE Royal Opera House - Covent Garden Tel: 44-171-252224 ... Anastasia: a choreography by Kenneth MacMillan to music by Tchaikovsky...

POP-MUSIC Wembley Stadium, Arena and Congress Centre Tel: 44-181-9001234 ... Lou Reed: performance by the American singer/guitarist; 7.30pm; May 8

MILAN

DANCE Teatro alla Scala di Milano Tel: 39-2-72003744 ... Giselle: a choreography by Bart Corti/Parrot to music by Adam...

Michael Gould; 7.15pm; May 7, 8, 9 (also 2pm)

MUNICH

EXHIBITION Villa Stuck Tel: 49-89-4555510 ... Franz von Stuck und die Photographie. Inszenierung und Dokumentation...

NEW YORK

AUCTION Christie's, Manson & Woods International, Inc. Tel: 1-212-546-1000 ... Contemporary Art: highlights of the sale include the abstract expressionist paintings 'Mailbox' by...

Willelmo de Kooning and 'Something of the Past' by Jackson Pollock, which are on sale on May 7. The sale on May 8 features 113 works from the estate of Henry Geldzahler...

PARIS

OPERA L'Opéra de Paris Bastille Tel: 33-1 44 73 13 99 ... Tosca; by Puccini. Conducted by Silvio Varviso...

SAN FRANCISCO

CONCERT Herbst Theater Tel: 1-415-398-6499 ... Thomas Hampson; accompanied by pianist Craig Rutenberg...

VIENNA

CONCERT Musikverein Tel: 43-1-5058681 ... Arnold Schoenberg Chor; with conductor Erwin Ortner...

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CNBC: 08.00 Squawk Box

10.00 European Money Wheel 18.00 Financial Times Business Tonight

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COMMENT & ANALYSIS

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700
Monday May 6 1996

Dayton in danger

"The fate of the Dayton peace accords hangs in the balance." So said former US Senator George Mitchell...

the three parties to the conflict. Two at least of those parties (the Serbs and the Croats) remain opposed to the return of refugees...

Realistic basis
It may be argued that, after three and a half years of war and "ethnic cleansing", this was the only realistic basis for peace...

Maintaining order
This is not happening. Refugees are not being allowed to return to their homes, or even to visit the graves of their relatives...

The accords set a very tight timetable of 13 months for this programme to be implemented, while Ifor held the ring and prevented the resumption of conflict...

Reforming the National Lottery

The saddest commentary on the present government is that Mr John Major is said to regard the National Lottery as one of his foremost achievements...

lottery is largely a hypothesized tax for the promotion of the arts, national heritage, sport, charities and projects thought by the "great and good" to be fitting for the new millennium...

Easy goals
These goals are easily accomplished. Citizen's juries provide an excellent device for procuring an informed popular view of the causes most deserving of lottery largesse...

Disguising the facts
However, the disinformation about the supposedly benign social effects of the lottery, put about by Camelot and the Department of National Heritage...

Thereafter it should be left to individual punters to decide which "good cause" receives their contribution by means of a simple check-off at the bottom of each lottery ticket...

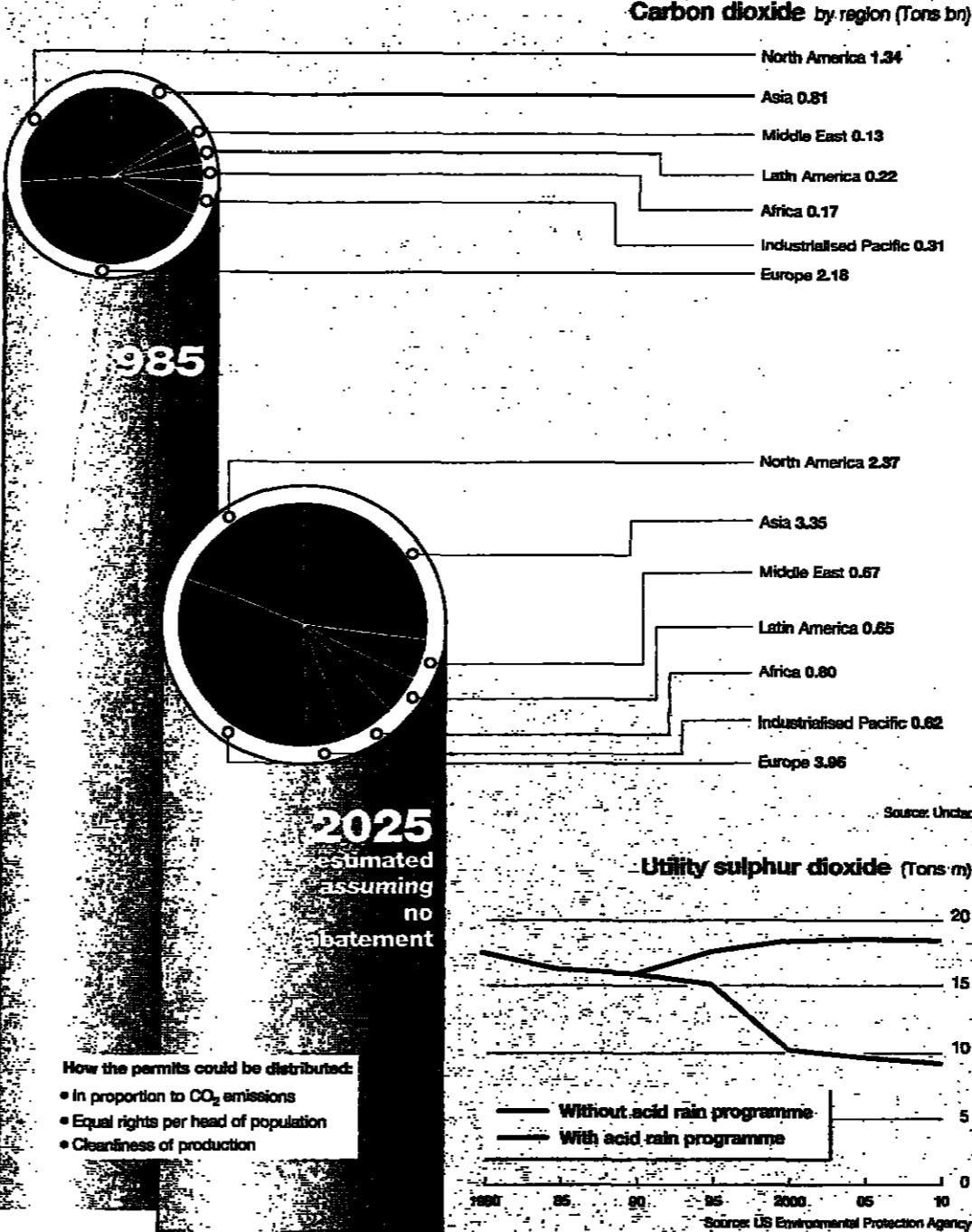
For sale: a licence to pollute

Traded pollution permits have curbed sulphur dioxide emissions in the US and could soon be extended more widely, says Leyla Boulton

Six years after it was approved by the US Congress as part of the Clean Air Act, trading in permits allowing companies to pollute has cut sulphur dioxide emissions in the US faster and more cheaply than ever expected.

Now the architects of pollution trading in Chicago have ambitions to extend the business to a wider range of polluting substances. And supporters are advocating an international trading system for permits to release carbon dioxide...

Emissions: the case for curbing air pollution



mit trading could tackle climate change. "In the US, the principle of cost-effectiveness is well understood, but in Europe it is the regulatory pain that is important..."

pockets of pollution. But trading would be perfect for carbon dioxide emissions, which occur everywhere and have no local side-effects.

Institute of International Affairs, the London-based think tank, and a member of the IPCC, believes trading could break the international impasse on fighting global warming...

An innovation gets airborne

The skyscraper of the Chicago Board of Trade is crowned by a statue of Ceres, the Roman goddess of corn, symbolising the first commodity traded on the exchange in 1851...

ing was launched in 1993. Regular trading takes place over the counter the rest of the year. Its architects say that far from demonstrating a failure of the system, the drop in permit prices reflects a dramatic fall in the cost of complying with sulphur dioxide controls designed to fight acid rain.

before," says Mr Brian McLean, head of the EPA acid rain division. Mr Danny Ellerman, an expert on the trading system at the Massachusetts Institute of Technology, says the price fall was due mainly to a dramatic cheapening of low-sulphur coal supplies from the west of the US.

OBSERVER

Showing who's Bossi

■ Gatherings of the Northern League, northern Italy's separatist party, continue to furnish doses of the surreal and the unsettling in about equal measure.

Thatcher's child?

■ Cause for celebration at the British Council School in Madrid today as former student Esperanza Aguirre is sworn in as Spain's new minister of education and culture.

Cat out of the bag

■ Poor old Matei Hoffmann, bag-carrier-in-chief to German chancellor Helmut Kohl. The eternally elegant Hoffmann recently lost his job, but details as to why are only now emerging from the bunker-like chancellery.

100 years ago

President Kruger's speech
Pretoria, 4th May: The Volksraad was opened this afternoon with the usual official ceremony. President Kruger said in his speech: "Hope is expressed that a meeting with representatives of the Orange Free State to discuss the question of a closer union between the two countries, will be held soon."

50 years ago

The Swedish economy
There is much within this Scandinavian country which makes conditions seem a paradise compared with those under which we in Britain have to live. Food is plentiful; consumers' goods, with the possible exception of textiles, are abundant. And petrol is off the ration. As everywhere else in Europe, however, coal is very scarce. This is one of Sweden's two major problems. The other is how she is to keep her wealth. The greatest anxiety of the Swedes today is that their standard of living will be forced down as a result of trade competition with less fortunate countries.

Bovine copy

■ Panicked by a slump in beef consumption of an average of 30 per cent across the European Union, the Commission is pondering an advertising campaign to convince Europeans of the wisdom of eating beef. So what should the slogan be? Last week, weary officials sitting through yet another late-night negotiating session between agriculture ministers in Luxembourg came up with an idea. "Eat beef - you would be mad not to!" Ho hum. Don't give up the day job yet, chaps.

Ringings failures

■ For those who failed to make the cabinet in José María Aznar's new centre-right government, all is not lost. There is, for instance, always the chair of one of Spain's partially privatised public companies to aspire to - an almost equally important perch, and one

Aznar ready for talks on job-creation pact Spain's new PM picks slimmed-down cabinet

Mr José María Aznar, Spain's new prime minister, took the first steps yesterday towards a leaner government by naming a reduced 14-member cabinet...

The Socialist party, the Communist-led United Left and leftwing regional parties. There was one abstention. The two deputies from the extremist Basque party...

chairman of the Ercros chemical group and of a Barcelona-based economics forum, is close to the moderate Catalan nationalist party Convergència i Unió.

Europe and US to press Beijing on trade

By Tony Walker in Beijing

European and US trade officials descend on Beijing this week to press China to intensify its efforts to join the World Trade Organisation...

Regional parties stay in the shadows, Page 2

US utilities likely soon to acquire UK power company

By Patrick Harverson in London

Midlands Electricity is expected within the next few days to agree to a £1.7bn (£2.6bn) takeover offer from two US utility groups led by General Public Utilities of New Jersey.

share for Midlands, valuing the company at up to £2bn. However, it is thought more likely that the offer will come in nearer 430p a share, worth about £1.7bn.

sure to expand in other countries. With access to cash and cheap financing on the capital markets they have the means to do it.

Mahathir sole candidate for Malaysian PM

Continued from Page 1

plan, the most detailed of several macroeconomic blueprints, sets a series of targets for government policymakers and is meant as guidance to private and state entrepreneurs...

8 per cent have raised fears of overheating. The central bank recently tried to cool activity by raising interest rates, but economists said fine-tuning is required for a large privatisation programme...

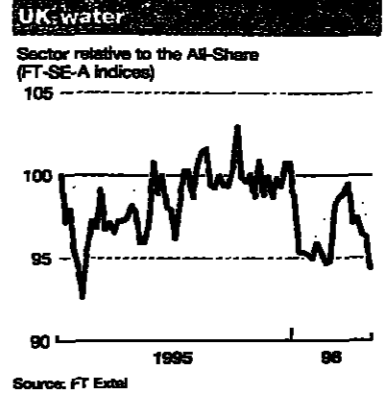
Mahathir, a struggle between them could have precipitated infighting at many levels of UMNO, political analysts said.

CD piracy, Page 4

THE LEX COLUMN

Agreeing to disagree

As usual with Eurotunnel, things are even worse than they look. It turns out that the financial restructuring plan due to be put to the company this week does not have the backing of all the creditor banks...



Of course, the trading environment looks tough, with French banks making inroads into both life assurance and insurance, putting margins under threat.

way for share buy-backs. Furthermore, a wave of industrial restructuring will bring substantial job losses, which are good news for investors.

UK water Severn Trent's suggestion that customers might try to conserve water by paying their bills in the sort of hopelessly public relations industry seems to excite at. But there is a serious point behind it.

AGF

The French government must be approaching the FF10bn (£1.29bn) sell-off of Assurances Générales de France with considerable trepidation.

European valuations

Today's global investor is spending more time choosing the right markets and less time picking individual stocks. But deciding which markets offer the best value remains fraught with difficulty.

FT WEATHER GUIDE Europe today South-west Europe will be unseasonably cool and unsettled. Five-day forecast Unsettled conditions across south-west Europe will extend to the centre of the continent.

KPMG CORPORATE FINANCE A WINNING FORMULA IN THE AUTOMOTIVE MARKET. The automotive leasing sector is extremely active right now and shows no sign of slowing down.

Handwritten Arabic text at the bottom of the page.